

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)

CONTINUING CONNECTED TRANSACTIONS

The TCIMSB2 Agreement was entered into between TCIMVN and TCIMSB on 11 April 2025 for the purchase of new and used material handling equipment, forklifts and MEWP equipment by TCIMVN from TCIMSB during the period from 11 April 2025 to 31 December 2025.

As at the date of this announcement, TCIMSB is a subsidiary of WTCH, and TCC is interested in more than 30% of the equity interests in WTCH. As TCC is a controlling shareholder (as defined in the Listing Rules) of the Company, TCIMSB is a connected person of the Company. Accordingly, the entering into of the TCIMSB2 Agreement as well as the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest percentage ratio defined under Rule 14.07 of the Listing Rules calculated with reference to the Aggregated Annual Cap is more than 0.1% but less than 5%, the TCIMSB2 Transactions are subject to the reporting and announcement requirements but are exempt from circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

Transactions between TCIMVN and TCIMSB in relation to the TCIMSB2 Agreement

The TCIMSB2 Agreement was entered into between TCIMVN and TCIMSB on 11 April 2025 for the purchase of new and used material handling equipment, forklifts and mobile elevated work platform (“MEWP”) equipment by TCIMVN from TCIMSB during the period from 11 April 2025 to 31 December 2025.

Pursuant to the TCIMSB2 Agreement, payment will be settled by cash within 60 days after the invoice date.

Pricing basis

The prices and terms of the TCIMSB2 Transactions in respect of the TCIMSB2 Agreement will be agreed between TCIMVN and TCIMSB by way of purchase orders or contracts and will be based on arm's length terms taking into account the value and volume of orders and similar products charged to independent third parties in the market.

With respect to the purchase of new and used material handling equipment, forklifts and MEWP equipment by TCIMVN from TCIMSB, TCIMVN shall follow the following general pricing principles:

- (i) the relevant market prices;
- (ii) in the absence of the relevant market prices, with reference to the prices for similar transactions charged to independent third parties; or
- (iii) where none of the above exists, then base on the prices to be agreed between the parties.

In determining the prevailing market prices, TCIMVN will obtain the prices of similar transactions in the market by collecting the relevant market information, reviewing and comparing the transactions conducted. In the absence of the prevailing market prices, the operations department of TCIMVN will obtain quotations from at least two independent third parties for similar transactions with regard to the same type and quality at a similar time for comparison and reference. Where the prevailing market prices and/or prices for similar transactions with independent third parties are unavailable, the parties shall determine the prices with reference to, among other things, the number and model of the material handling equipment, forklift and MEWP equipment and the relevant costs. The head of the operations department of the Company or TCIMVN will review and approve the prices of the transactions. In any event, the price and term on which the products purchased by TCIMVN shall be no less favourable to TCIMVN than those prevailing in the market for the products of the same type and quality and at similar time and those offered by TCIMSB to independent third parties.

Annual Cap

Based on (i) projections in anticipation of orders due to market demand for new and used material handling equipment, forklifts and MEWP equipment in the Vietnamese market and (ii) the terms of the TCIMSB2 Agreement, the Company estimates that the proposed annual cap for the transaction under the TCIMSB2 Agreement for year ending 31 December 2025 will not exceed HK\$2,500,000.

As no similar transactions were entered into between TCIMVN and TCIMSB in the past, there is no historical transaction amount available.

Reasons for and benefits of the transaction

The TCIMSB2 Transactions provide TCIMVN with reliable and competitive supplier for its goods. Given the Group's long established and stable business relationship with TCIMSB and the competitive price to be offered by TCIMSB pursuant to the TCIMSB2 Agreement, the Board considers that the TCIMSB2 Transactions are beneficial to the business of the Group.

The Directors (including the independent non-executive Directors) consider that the TCIMSB2 Transactions (including the annual cap) are on normal commercial terms, fair and reasonable, in the ordinary and usual course of business of the Group and are in the interests of the Group and the shareholders of the Company as a whole.

AGGREGATED ANNUAL CAP

Reference is made to the announcement of the Company dated 8 December 2022 in relation to, among other things, the Existing Transactions. Given that the TCIMSB2 Transactions and the Existing Transactions were entered into by the Group with parties connected or otherwise associated with one another, those transactions were aggregated pursuant to Rule 14A.81 of the Listing Rules.

The aggregate amount of the annual cap for the TCIMSB2 Transactions and the relevant annual caps for the Existing Transactions for the year ending 31 December 2025 will be HK\$44,840,000 (the "Aggregated Annual Cap").

INTERNAL CONTROL MEASURES

The Company has established the following internal control measures to monitor the transactions contemplated under the TCIMSB2 Agreement to ensure that the terms and the pricing basis thereunder are complied with:

- (i) the finance department of the Company will perform half-yearly reporting of the actual transaction amounts and the respective proposed annual cap of the transactions;
- (ii) the Company will have specifically designated personnel from the relevant departments to monitor the actual transaction amounts and report to the management team on a monthly basis in relation to the transactions to ensure that the respective proposed annual cap of the transactions are not exceeded and ensure compliance with the pricing basis of the transactions;
- (iii) the Company will conduct internal control review, including review of financial, operational and compliance controls, on a continuous basis; and
- (iv) the auditors of the Company and the independent non-executive Directors will conduct annual review on the transactions in accordance with the Listing Rules.

LISTING RULES IMPLICATIONS

As at the date of this announcement, TCIMSB is a subsidiary of WTCH, and TCC is interested in more than 30% of the equity interests in WTCH. As TCC is a controlling shareholder (as defined in the Listing Rules) of the Company, TCIMSB is a connected person of the Company. Accordingly, the entering into of the TCIMSB2 Agreement as well as the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the highest percentage ratio defined under Rule 14.07 of the Listing Rules calculated with reference to the Aggregated Annual Cap is more than 0.1% but less than 5%, the TCIMSB2 Transactions are

subject to the reporting and announcement requirements but are exempt from circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

The principal business of the Group includes (a) distribution and aftersales of motor vehicles in Singapore, Hong Kong, Thailand, Taiwan, Philippines, Malaysia, Vietnam and Cambodia, and the sales and aftersales of motor vehicles in the southern part of the PRC; (b) distribution of industrial equipment in Singapore, Vietnam and Thailand; (c) property development and rental in Singapore and Hong Kong; (d) vehicle seat manufacturing in the PRC; (e) provision of car rental services, automotive leasing and capital financing in Singapore, Malaysia and the PRC and (f) provision of vehicle transportation service and human resource management service in relation to transportation business in Japan.

The principal business of TCIMSB is distribution, sale and rental of material handling equipment, agriculture tractors, engine, construction equipment and parts as well as provision of after sales services. TCIMSB is a subsidiary of WTCH, and TCC is interested in more than 30% of the equity interests in WTCH. TCC's largest shareholders are Mr. Dato' Tan Heng Chew and Mr. Tan Eng Soon, each of whom holds approximately 22.85% equity interests in TCC.

The principal business of TCC is investment holding.

Each of Mr. Tan Eng Soon (chairman of the Board and an executive Director) and Mr. Tan Kheng Leong (an executive Director) holds approximately 22.85% and 15.38% of the equity interests in TCC respectively. Therefore, each of Mr. Tan Eng Soon and Mr. Tan Kheng Leong is considered to have a material interest in the TCIMSB2 Transactions and has abstained from voting on the relevant resolution(s) of the Board approving the terms of the TCIMSB2 Agreement and the annual cap of the TCIMSB2 Transactions.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings:

“Aggregated Annual Cap”	has the meaning ascribed to it under the section headed “AGGREGATED ANNUAL CAP” in this announcement
“APM”	APM Automotive Holdings Berhad, a company incorporated in Malaysia with limited liability, the shares of which are listed on Bursa Malaysia
“APM Agreements”	collectively, the five (5) agreements dated 8 December 2022 between TC Subaru and each of the APM Subsidiaries respectively, for the purchase of certain spare parts from the APM Subsidiaries by TC Subaru during the three year period from 1 January 2023 to 31 December 2025

“APM2 Agreements”	the two (2) agreements dated 8 December 2022 between the Group and the APM Group in relation to the sale and rental of vehicles, material handling equipment, and forklift by the Group to the APM Group during the three year period from 1 January 2023 to 31 December 2025
“APM Group”	APM and its subsidiaries (including the APM Subsidiaries)
“APM Subsidiaries”	collectively, five (5) subsidiaries of APM, being APM Climate Control Sdn. Bhd., APM Auto Electrics Sdn. Bhd., APM Coil Spring Sdn. Bhd., APM Automotive Modules Sdn. Bhd. and Auto Parts Manufacturers Co. Sdn. Bhd.
“APM Transactions”	collectively, the transactions between TC Subaru and each of the APM Subsidiaries entered into pursuant to the APM Agreements
“APM2 Transactions”	collectively, the transactions between the Group and the APM Group entered into pursuant to the APM2 Agreements
“Board”	the board of Directors
“Company”	Tan Chong International Limited, a company incorporated in Bermuda with limited liability
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Existing Transactions”	collectively, (i) the APM Transactions, (ii) the TCMH Transactions, (iii) the APM2 Transactions and (iv) the TCIMSB Transactions
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“NJTC”	Nanjing Tan Chong Automotive Co., Ltd. (南京陳唱交通器材有限公司), a company incorporated in the PRC and a wholly-owned subsidiary of the Company

“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“TCC”	Tan Chong Consolidated Sdn. Bhd., a company incorporated in Malaysia with limited liability
“TCIMSB”	TCIM Sdn. Bhd., a company incorporated in Malaysia with limited liability and a wholly-owned subsidiary of WTCH
“TCIMSB Agreement”	the agreement dated 8 December 2022 entered into between NJTC and TCIMSB in relation to the sale of motor parts and accessories by NJTC to TCIMSB during the three year period from 1 January 2023 to 31 December 2025
“TCIMSB2 Agreement”	the agreement dated 11 April 2025 entered into between TCIMVN and TCIMSB for the purchase of new and used material handling equipment, forklifts and MEWP equipment by TCIMVN from TCIMSB during the period from 11 April 2025 to 31 December 2025
“TCIMSB Transactions”	the transactions between NJTC and TCIMSB in relation to sale of motor parts and accessories by NJTC to TCIMSB pursuant to the TCIMSB Agreement
“TCIMSB2 Transactions”	the transactions between TCIMVN and TCIMSB in relation to purchase of new and used material handling equipment, forklifts and MEWP equipment by TCIMVN from TCIMSB pursuant to the TCIMSB2 Agreement
“TCIMVN”	Tan Chong Vietnam Industrial Machinery Co., Ltd., a company incorporated in Vietnam and a wholly-owned subsidiary of the Company
“TCMH”	Tan Chong Motor Holdings Berhad, a company incorporated in Malaysia with limited liability, the shares of which are listed on Bursa Malaysia
“TCMH Agreements”	the three (3) agreements dated 8 December 2022 entered into between the Group and the TCMH Group in relation to the sale and purchase of motor parts and accessories between the Group and the TCMH Group during the three year period from 1 January 2023 to 31 December 2025
“TCMH Group”	TCMH and its subsidiaries

“TCMH Transactions”	collectively the transactions between the Group and the TCMH Group in relation to the sale and purchase of motor parts and accessories pursuant to the TCMH Agreements
“TC Subaru”	TC Subaru Sdn. Bhd., a company incorporated in Malaysia and a wholly-owned subsidiary of the Company
“WTCH”	Warisan TC Holdings Berhad, a company incorporated in Malaysia with limited liability, the shares of which are listed on Bursa Malaysia
“%”	per cent.

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

Hong Kong, 11 April 2025

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.