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TBK & Sons Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1960)

PROFIT WARNING

This announcement is made by TBK & Sons Holdings Limited (the “**Company**” and together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09(2) 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).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the Group’s preliminary unaudited consolidated management accounts for the nine months ended 31 March 2023 (the “**Period**”) available, the Group is expected to record a net loss of approximately RM3 million, as compared to a net profit of approximately RM2 million for the nine months ended 31 March 2022 (the “**Previous Period**”). The deterioration of financial results was mainly attributable to the significant decrease in revenue from the trading of oil and related products in the PRC from approximately RM265 million for the Period as compared to approximately RM408 million for the Previous Period. It is expected that the above situation will persist for the year ended 30 June 2023 and the Group may experience a significant loss for the year ended 30 June 2023.

The decrease in revenue from the trading of oil and related products in the PRC for the Period was attributable principally to the following reasons:

- (i) Following the lifting of lockdown in the PRC at the end of 2022, the increase in human mobility resulted in higher infection rate in the PRC, which had not been eased until April 2023. After the lifting of lockdown, the Group had taken precautionary measures by suspending part of the operations and encouraging work-from-home to reduce the infection among employees; and
- (ii) Due to the stalling and decrease in infrastructure projects in the PRC during the Period and the impacts of property market downturn, the demand for petroleum refining finished products decreased and the prices weakened, which indirectly resulted in a decrease in demand for heavy raw oil and hence, trading of oil and related products business of the Group.

As a result of the reasons (i) and (ii) above, the revenue derived from the trading of oil and related products of the Group significantly decreased during the Period, as compared with the Previous Period.

The information contained in this announcement represents only a preliminary assessment of the Company based on the latest information available to the Company including the preliminary unaudited consolidated management accounts of the Group for the Period, which have not been reviewed or audited by the auditors of the Company and have not been reviewed by the audit committee of the Company. As at the date of this announcement, the Group has not finalised its consolidated financial results for the Period, and such results are subject to necessary adjustments. The Company will make further announcement(s) as and when appropriate to inform its shareholders.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
TBK & Sons Holdings Limited
Tan Hun Tiong
Chairman

Hong Kong, 28 July 2023

As at the date of this announcement, the Board comprises Mr. Tan Hun Tiong, Mr. Tan Han Peng, Mr. Tang Zhiming and Mr. Chen Da as executive Directors; Ms. Chooi Pey Nee as non-executive Director; and Mr. Chu Hoe Tin, Mr. Ng Ying Kit and Mr. Wong Sze Lok as independent non-executive Directors.