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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 six months ended 31 December 2023 (the “**Period**”) available, the Group is expected to record a net loss of approximately RM14 million, as compared to a net profit of approximately RM3 million for the six months ended 31 December 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 to approximately RM5 million for the Period as compared to approximately RM263 million for the Previous Period.

Between 1 July 2023 to 31 December 2023, there was no significant improvement in the PRC’s economic environment. Given the PRC market sentiment was sluggish, coupled with the impacts of property market downturn and the decrease in infrastructure projects in the PRC, the demand for petroleum refining finished products decreased and the prices weakened, which resulted in a decrease in demand for heavy raw oil.

Taking into consideration of the impact of the Russia-Ukraine war, and the Isarel-Palestine conflict on international oil prices, the crude oil prices were volatile. The Group was unable to fully shift the extra cost of the increase in suppliers’ prices to its customers.

Given the weakened market and the requirement of a large amount of capital for international oil trading and new business development, the Group has adopted a prudent approach.

As a result of the above, the revenue derived from the trading of oil and related products of the Group significantly decreased, from approximately RM263 million for the Previous Period to approximately RM5 million for the 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. As at the date of this announcement, the Group has not finalised its consolidated financial results for the Period. The interim results of the Group for the six months ended 31 December 2023 is expected to be announced by the end of February 2024.

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, 9 February 2024

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.