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TAN CHONG INTERNATIONAL LIMITED
(incorporated in Bermuda with limited liability)
(Stock code: 693)

RE-DESIGNATION OF A DIRECTOR

The board of directors (the “**Board**”) of Tan Chong International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that Mr. Ng Kim Tuck (“**Mr. Ng**”) has been re-designated from a non-executive director to an independent non-executive director of the Company with effect from 10 July 2012. Mr. Ng will continue to serve as a member of the audit committee of the Company after his re-designation.

Mr. Ng, aged 57, is currently the senior audit advisor to BDO Malaysia. He is a council member of the Malaysian Institute of Accountants (“**MIA**”), a council member of the Malaysian Institute of Certified Public Accountants (“**MICPA**”) and was previously a member of the Malaysian Institute of Taxation. Mr. Ng also serves on various committees and working groups of the MIA and MICPA. He joined KPMG Malaysia in 1974 and was admitted as a partner of the firm in 1985. He had been the partner-in-charge of KPMG Malaysia’s Audit Division, Finance as well as Risk Management and Ethics and Independence. He was also formerly the Chairman of KPMG Malaysia’s Audit and Accounting Committee. Mr. Ng retired from the firm in December 2010. During his tenure with KPMG Malaysia, he specialised in automotive, manufacturing, trading, insurance, oil and gas and plantation audit. He was an experienced investigating accountant on innumerable due diligence exercises and was the reporting accountant on numerous flotations / initial public offerings and bonds / rights Issues.

Save as disclosed above, Mr. Ng has not held any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years preceding the date of his re-designation and does not hold any position within the Group other than being a non-executive director of the Company from 1 June 2011 and an independent non-executive director from 10 July 2012. Mr. Ng does not have any relationships with any directors, senior management, substantial or controlling shareholder of the Company.

There has been no service contract between the Company and Mr. Ng. Mr. Ng has no fixed term of director’s service but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws of the Company. His director’s fee will be determined by the Board with reference to his job responsibility, prevailing market conditions and the Company’s operating performance and profitability.

Although Mr. Ng has been a non-executive director of the Company since 1 June 2011 (and hence cannot satisfy Rule 3.13(7) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")), the Board is satisfied, and has demonstrated to the satisfaction of The Stock Exchange of Hong Kong Limited, that Mr. Ng is independent from the Company for the following reasons:

- (1) save as being a non-executive director of the Company, Mr. Ng
 - (a) does not hold any other position(s) within the Company and its subsidiaries;
 - (b) is not a connected person (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) of the Company and is independent from its connected persons;
 - (c) has confirmed his independence as regards each of the factors referred to in Rule 3.13(1) to (6) and (8) of the Listing Rules; and
- (2) as at the date of this announcement, Mr. Ng does not have any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporation(s) within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board believes that Mr. Ng is able to exercise his professional judgment and draw upon his extensive knowledge in accounting, finance and corporate governance matters for the benefit of the Company and its shareholders as a whole, in particular, the independent shareholders.

In light of the above, notwithstanding Mr. Ng's relationship with the Company as a non-executive director prior to his re-designation as an independent non-executive director of the Company, the Board is in the opinion that Mr. Ng's current connection with the Company will not affect his independence as an independent non-executive director and he will be able to carry out his duties as an independent non-executive director impartially and independently.

Save as disclosed above, there are no other matters relating to the re-designation of Mr. Ng that need to be brought to the attention of the shareholders of the Company nor any other information to be disclosed pursuant to the requirement of Rule 13.51(2) of the Listing Rules.

On behalf of the Board
Tan Chong International Limited
Joseph Ong Yong Loke
Deputy Chairman and Managing Director

Hong Kong, 10 July 2012

As at the date of this announcement, the executive directors of the Company are Mr. Tan Eng Soon, Mr. Joseph Ong Yong Loke, Mr. Tan Kheng Leong, Mdm. Sng Chiew Huat and Mr. Glenn Tan Chun Hong. Independent non-executive directors of the Company are Mr. Lee Han Yang, Mr. Masatoshi Matsuo, Mr. Tan Ngiap Joo and Mr. Ng Kim Tuck.