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TONGDA GROUP HOLDINGS LIMITED

通達集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 698)

LATEST BUSINESS UPDATE: OPERATING POSITION FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015

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

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby present the operating performance for the nine months ended 30 September 2015 (the “**Period**”) to shareholders and holders of securities of the Company and potential investors.

Based on the unaudited consolidated management accounts of the Group for the Period, turnover of the Group amounted to approximately HK\$4.3 billion, representing an increase of approximately 31% as compared with that for the nine months ended 30 September 2014, which was mainly attributable to the handset business.

During the period under review, sales to the Group’s five largest customers accounted for approximately 59% of the total sales for the Period, of which sales to the largest customer increased from approximately 23% in the corresponding period last year to approximately 24% for the Period. Sales to the second largest customer rose from approximately 9% in the corresponding period last year to approximately 18%, while that of the third largest customer decreased from approximately 9% in the corresponding period last year to approximately 7%.

During the Period, the Group received orders from leading domestic handset brands and the Group's handset components were mainly used in P8max, MediaPad M2 and G8 of Huawei, Mi 4, Mi Note, Redmi Note 2 and Redmi 2 of Xiaomi, R7 of Oppo, QiKU Phone Youth Edition as well as Zenfone 2 of ASUS.

The Group also developed its precision rubber parts business during the Period. Such products have excellent sealing, waterproof and insulating properties, which can protect handset electronic components. The Board is of the view that precision rubber parts will be assembled with handset components for sale, resulting in a more comprehensive product line of the Group. The Group also expects to develop its supply chains of new customers and expand its customer base with its new products.

The Board hereby reminds shareholders and potential investors that the above information are based on the unaudited consolidated management accounts of the Group which have neither been reviewed or audited by the auditors of the Company. The operational information in the Period may not reflect the Group's overall performance for a complete reporting period.

Shareholders and potential investors of the Company are advised not to place undue reliance on the said information and they are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Tongda Group Holdings Limited
Wang Ya Nan
Chairman

Hong Kong, 28 October 2015

As at the date of this announcement, the Board comprises Mr. Wang Ya Nan, Mr. Wang Ya Hua, Mr. Wong Ah Yu, Mr. Wong Ah Yeung, Mr. Choi Wai Sang and Mr. Wang Ming Che as executive Directors; and Dr. Yu Sun Say, J.P., Mr. Cheung Wah Fung, Christopher, J.P. and Mr. Ting Leung Huel Stephen as independent non-executive Directors.