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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)

POSITIVE PROFIT ALERT FOR THE YEAR ENDED 31 DECEMBER 2015

This announcement is made by the Board pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions. Based on the currently available information, the Board wishes to inform the Shareholders and potential investors of the Company that the profit attributable to owners of the Company for the year ended 31 December 2015 is expected to increase by approximately 35% to 40%, when compared with that for the year ended 31 December 2014 of HK\$501.7 million.

The Board expects that the announcement of the audited consolidated results of the Group for the year ended 31 December 2015 will be published on 16 March 2016.

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

This announcement is made by the board of directors (the “Board”) of Tongda Group Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited and the inside information provisions (the “Inside Information Provisions”) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Following the review of the currently available information (which includes, but without limitation to, the unaudited management accounts of the Group for the year ended 31 December 2015), the Board wishes to inform the shareholders (the “Shareholders”) of the Company and potential investors of the Company that the profit attributable to owners of the Company for the year ended 31 December 2015 is expected to increase by approximately 35% to 40%, when compared with that for the year ended 31 December 2014 of HK\$501.7 million.

The Directors consider that the growth in the profit attributable to the owners of the Company is mainly due to the continuous enhancement of the Group’s consolidated gross profit as a result of the corresponding increase in the Group’s turnover and gross profit margin.

The increase in the Group’s turnover in handset segment is mainly due to the introduction of metal casing products and significant increase in the contribution from one of the major customers. Besides, due to the change of the sales mix, the gross profit margin from turnover of major customers also improved.

The Company is finalising the consolidated final results of the Group for the year ended 31 December 2015. Hence, the information disclosed in this announcement only represents a preliminary assessment by the Board and the management of the Group based on the information currently available to the Board. The audited consolidated final results of the Group may be subject to adjustments following further review by the Board, discussions with the auditors of the Company and completion of the required auditing procedures. The information in this announcement has not been reviewed by the auditors of the Company or the audit committee of the Board.

The Board expects that the announcement of the audited consolidated results of the Group for the year ended 31 December 2015 will be published on 16 March 2016.

Shareholders and potential investors of the Company 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, 29 February 2016

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 Mr. Ting Leung Huel Stephen, Mr. Cheung Wah Fung, Christopher, J.P. and Dr. Yu Sun Say, J.P. as independent non-executive directors.