通達集團
TONGDA GROUP

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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

HIGHLIGHTS

- Our revenue for the financial year ended 31 December 2015 reached approximately HK$6,074,061,000, representing an increase of approximately 26.8% as compared with that for the financial year ended 31 December 2014.
- Our net profit attributable to owners of the Company for the financial year ended 31 December 2015 reached approximately HK$702,839,000, representing an increase of approximately 40% as compared with that for the financial year ended 31 December 2014.
- Basic earnings per Share for the financial year ended 31 December 2015 was HK12.60 cents representing an increase of approximately 33.5% as compared with that for the financial year ended 31 December 2014.
- The Directors propose to declare a final dividend of HK2.1 cents per Share for the financial year ended 31 December 2015.

The Board of Directors (the "Board") of Tongda Group Holdings Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2015 (the "Year"), together with the comparative figures for the previous year, as follows:

CONSOLIDATED INCOME STATEMENT

Year ended 31 December 2015

	Notes	2015 HK$'000	2014 HK$'000
REVENUE	5	**6,074,061**	4,791,346
Cost of sales		**(4,562,032)**	(3,647,711)
Gross profit		**1,512,029**	1,143,635
Other income and gains, net	5	**25,930**	26,507
Selling and distribution expenses		**(148,535)**	(111,992)
General and administrative expenses		**(445,207)**	(330,262)
Other operating expenses, net		**(16,011)**	(26,756)
Finance costs	6	**(55,660)**	(56,883)
Share of losses of associates		**(286)**	(1,852)
PROFIT BEFORE TAX	7	**872,260**	642,397
Income tax expense	8	**(134,285)**	(94,187)
PROFIT FOR THE YEAR		**737,975**	548,210
Attributable to:			
Owners of the Company		**702,839**	501,701
Non-controlling interests		**35,136**	46,509
		737,975	548,210
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	10		
– Basic		**HK12.60 cents**	HK9.44 cents
– Diluted		**HK11.97 cents**	HK9.30 cents

Details of the dividends are disclosed in note 9.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2015

	2015	2014
	HK$'000	*HK$'000*
PROFIT FOR THE YEAR	**737,975**	548,210
OTHER COMPREHENSIVE INCOME		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Gain on property revaluation	**1,393**	868
Income tax effect	**(230)**	(143)
	1,163	725
Other comprehensive income/(expense) to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations		
– subsidiaries	**(129,651)**	(8,635)
– associates	**(107)**	(16)
Release of exchange fluctuation reserve upon step acquisition from associates to subsidiaries	**–**	(4,052)
Release of exchange reserve upon disposal of an associate	**–**	133
	(129,758)	(12,570)
OTHER COMPREHENSIVE EXPENSE FOR THE YEAR, NET OF TAX	**(128,595)**	(11,845)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**609,380**	536,365
Attributable to:		
Owners of the Company	**575,682**	490,090
Non-controlling interests	**33,698**	46,275
	609,380	536,365

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2015

	Notes	2015 HK$'000	2014 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**2,627,744**	1,757,234
Investment property		**53,902**	54,545
Prepaid land lease payments		**58,198**	61,657
Goodwill		**–**	–
Investments in associates		**2,666**	3,059
Prepayments		**57,842**	61,534
Long term deposits		**248,299**	147,119
Loan to a non-controlling shareholder of a subsidiary		**1,500**	12,610
Deferred tax assets		**3,703**	3,703
Total non-current assets		**3,053,854**	2,101,461
CURRENT ASSETS			
Inventories	*11*	**1,605,937**	1,400,901
Trade and bills receivables	*12*	**2,682,939**	2,166,186
Prepayments, deposits and other receivables		**300,950**	204,441
Loan to a non-controlling shareholder of a subsidiary		**–**	6,305
Due from a related company		**8,922**	9,848
Tax recoverable		**287**	344
Pledged deposits		**173,581**	117,463
Cash and cash equivalents		**762,392**	360,161
Total current assets		**5,535,008**	4,265,649
CURRENT LIABILITIES			
Trade and bills payables	*13*	**1,572,221**	1,329,422
Accrued liabilities and other payables		**324,419**	195,609
Interest-bearing bank and other borrowings		**976,356**	629,143
Due to a non-controlling shareholder of a subsidiary		**54**	54
Tax payable		**192,029**	177,406
Total current liabilities		**3,065,079**	2,331,634
NET CURRENT ASSETS		**2,469,929**	1,934,015
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,523,783**	4,035,476

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
31 December 2015

	Notes	**2015** **HK$'000**	2014 *HK$'000*
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**519,321**	350,835
Convertible bonds		**873,028**	–
Due to a former non-controlling shareholder of a subsidiary		**30,034**	–
Deferred tax liabilities		**62,082**	48,172
Total non-current liabilities		**1,484,465**	399,007
Net assets		**4,039,318**	3,636,469
EQUITY			
Equity attributable to owners of the Company			
Share capital	*14*	**57,257**	54,692
Reserves		**3,999,929**	3,422,502
		4,057,186	3,477,194
Non-controlling interests		**(17,868)**	159,275
Total equity		**4,039,318**	3,636,469

NOTES

1. CORPORATE INFORMATION

Tongda Group Holdings Limited (the "Company") is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681GT, George Town, Grand Cayman, Cayman Islands.

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are manufacture and sale of components of handsets, notebook computers and electrical appliances, ironware products and other electronic products. There were no significant changes in the nature of principal activities of the Company's subsidiaries during the year.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for a leasehold building in Hong Kong classified as property, plant and equipment and the investment property which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2015. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

2. BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised standards for the first time for the current year's financial statements.

Amendments to HKAS 19 *Defined Benefit Plans: Employee Contributions*
Annual Improvements to HKFRSs 2010–2012 Cycle
Annual Improvements to HKFRSs 2011–2013 Cycle

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Other than as explained below regarding the impact of *Annual Improvements to HKFRSs 2010–2012 Cycle* and *Annual Improvements to HKFRSs 2011–2013 Cycle*, the adoption of the above revised standards has had no significant financial effect on these financial statements.

(a) The *Annual Improvements to HKFRSs 2010–2012 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Details of the amendments that are effective for the current year are as follows:

- HKFRS 8 *Operating Segments*: Clarifies that an entity must disclose the judgements made by management in applying the aggregation criteria in HKFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics used to assess whether the segments are similar. The amendments also clarify that a reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker. The amendments have had no impact on the Group.

- HKAS 24 *Related Party Disclosures*: Clarifies that a management entity (i.e., an entity that provides key management personnel services) is a related party subject to related party disclosure requirements. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The amendment has had no impact on the Group as the Group does not receive any management services from other entities.

(b) The *Annual Improvements to HKFRSs 2011–2013 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Details of the amendments that are effective for the current year are as follows:

- HKFRS 13 *Fair Value Measurement*: Clarifies that the portfolio exception in HKFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of HKFRS 9 or HKAS 39 as applicable. The amendment is applied prospectively from the beginning of the annual period in which HKFRS 13 was initially applied. The amendment has had no impact on the Group as the Group does not apply the portfolio exception in HKFRS 13.

- HKAS 40 *Investment Property*: Clarifies that HKFRS 3, instead of the description of ancillary services in HKAS 40 which differentiates between investment property and owner-occupied property, is used to determine if the transaction is a purchase of an asset or a business combination. The amendment is applied prospectively for acquisitions of investment properties. The amendment has had no impact on the Group as the acquisition of investment properties during the year was not a business combination and so this amendment is not applicable.

In addition, the Company has adopted the amendments to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") issued by the Stock Exchange relating to the disclosure of financial information with reference to the Hong Kong Companies Ordinance (Cap. 622) during the current financial year. The main impact to the financial statements is on the presentation and disclosure of certain information in the financial statements.

4. OPERATING SEGMENT INFORMATION

The following tables present revenue, profit and certain assets and liabilities information for the Group's operating segments for the years ended 31 December 2015 and 2014.

Group

	Electrical fittings		Ironware parts		Communication facilities and others		Eliminations		Consolidated	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	**HK$'000**	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:										
Sales to external customers	**4,780,254**	3,636,967	**471,902**	687,730	**821,905**	466,649	**–**	–	**6,074,061**	4,791,346
Intersegment sales	**6,592**	14,535	**6,094**	11,701	**3,049**	4,205	**(15,735)**	(30,441)	**–**	–
Total	**4,786,846**	3,651,502	**477,996**	699,431	**824,954**	470,854	**(15,735)**	(30,441)	**6,074,061**	4,791,346
Segment results before depreciation and amortisation	**971,004**	765,241	**33,908**	62,188	**133,141**	65,179	**–**	–	**1,138,053**	892,608
Depreciation	**(174,440)**	(152,516)	**(19,416)**	(16,660)	**(9,085)**	(6,943)	**–**	–	**(202,941)**	(176,119)
Amortisation	**(1,285)**	(1,530)	**(1,590)**	(1,647)	**(80)**	(82)	**–**	–	**(2,955)**	(3,259)
Segment results	**795,279**	611,195	**12,902**	43,881	**123,976**	58,154	**–**	–	**932,157**	713,230
Unallocated income									**25,930**	26,507
Impairment of goodwill									**–**	(9,177)
Corporate and other unallocated expenses									**(29,881)**	(29,428)
Finance costs									**(55,660)**	(56,883)
Share of losses of associates									**(286)**	(1,852)
Profit before tax									**872,260**	642,397
Income tax expense									**(134,285)**	(94,187)
Profit for the year									**737,975**	548,210

4. OPERATING SEGMENT INFORMATION (continued)

Group (continued)

	Electrical fittings		Ironware parts		Communication facilities and others		Eliminations		Consolidated	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	**HK$'000**	*HK$'000*	***HK$'000***	*HK$'000*
Other segment information:										
Impairment losses/write-down recognised in the income statement*	**(19,474)**	(23,482)	**(5,693)**	(1,637)	**(134)**	(3,180)	**–**	–	**(25,301)**	(28,299)
Impairment losses reversed in the income statement**	**31**	–	**–**	–	**168**	470	**–**	–	**199**	470
Capital expenditure***	**1,085,601**	541,271	**42,234**	59,066	**5,365**	25,416	**–**	–	**1,133,200**	625,753
Segment assets	**6,336,103**	4,942,593	**675,920**	596,229	**632,710**	324,643	**–**	–	**7,644,733**	5,863,465
Unallocated assets									**944,129**	503,645
Total assets									**8,588,862**	6,367,110
Segment liabilities	**1,499,662**	1,155,363	**215,514**	239,164	**181,518**	130,558	**–**	–	**1,896,694**	1,525,085
Unallocated liabilities									**2,652,850**	1,205,556
Total liabilities									**4,549,544**	2,730,641

* Included impairment of trade receivables, write-off of trade receivables, provision against obsolete inventories and impairment of an other receivable.

** Included write-back of impairment of trade receivables.

*** Capital expenditure consists of additions to property, plant and equipment.

4. **OPERATING SEGMENT INFORMATION (continued)**

Geographical information

(a) Revenue from customers

Group

	Mainland China		Southeast Asia		Middle East		Others		Consolidated	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:										
Sales to external customers	**5,501,365**	4,321,073	**414,978**	333,836	**2,560**	5,061	**155,158**	131,376	**6,074,061**	4,791,346
(b) Non-current assets	**3,004,911**	2,041,237	**-**	-	**-**	-	**41,074**	40,852	**3,045,985**	2,082,089

The revenue information above is based on the location of the customers.

The non-current assets information above is based on the locations of the assets and excludes investments in associates, goodwill, a loan to a non-controlling shareholder of a subsidiary and deferred tax assets.

Information about major customers

During the year ended 31 December 2015, revenue of approximately HK$1,545,105,000 (2014: HK$1,206,968,000) and HK$1,035,276,000 (2014: HK$481,376,000), representing 25.44% (2014: 25.19%) and 17.04% (2014: 10.05%) of the Group's revenue, respectively, was derived from sales by electrical fittings segment to two customers (2014: two), including sales to a group of entities which are known to be under common control of the respective customers.

5. REVENUE, OTHER INCOME AND GAINS, NET

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

	2015	2014
	HK$'000	*HK$'000*
Revenue		
Sale of:		
Electrical fittings	**4,780,254**	3,636,967
Ironware parts	**471,902**	687,730
Communication facilities and others	**821,905**	466,649
	6,074,061	4,791,346
Other income and gains, net		
Bank interest income	**7,564**	5,083
Gross rental income with nil outgoings	**3,366**	3,485
Sale of scrap materials	**7,912**	7,227
Government grants*	**17,283**	8,230
Fair value gain on an investment property	**1,220**	758
Foreign exchange differences, net	**(22,813)**	(8,703)
Net gain on step acquisition	**–**	7,651
Others	**11,398**	2,776
	25,930	26,507

* There are no unfulfilled conditions or contingencies relating to these grants.

6. FINANCE COSTS

	2015	2014
	HK$'000	*HK$'000*
Interest expenses on bank and other loans (including convertible bonds)	**44,924**	39,408
Less: Interest capitalised#	**(988)**	(2,181)
	43,936	37,227
Interest expenses on discounted bills	**11,724**	19,656
	55,660	56,883

\# During the year ended 31 December 2015, interest of HK$988,000 (2014: HK$2,181,000) arising from certain funds borrowed generally used for the purpose of constructing certain leasehold buildings situated in Mainland China was capitalised and included in the cost of leasehold buildings in Mainland China.

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2015	2014
	HK$'000	*HK$'000*
Cost of inventories sold	**4,562,032**	3,647,711
Depreciation	**202,941**	176,119
Amortisation of prepaid land lease payments	**1,364**	1,612
Amortisation of prepayments	**1,591**	1,647
Research and development costs	**128,927**	97,468
Impairment of goodwill*	**–**	9,177
Minimum lease payments under operating leases	**44,785**	36,551
Employee benefit expense (excluding directors' remuneration):		
Salaries and wages	**1,133,006**	892,363
Equity-settled share option expense	**4,293**	3,975
Pension scheme contributions	**51,372**	31,627
Less: amounts included in research and development costs	**(31,601)**	(22,205)
	1,157,070	905,760
Impairment of trade receivables*	**9,347**	7,635
Write-back of impairment of trade receivables*	**(199)**	(470)
Write-off of trade receivables*	**405**	–
Impairment of an other receivable*	**5,212**	–
Provision against obsolete inventories	**10,337**	20,664
Changes in fair value of an investment property	**(1,220)**	(758)
Loss on disposal of items of property, plant and equipment*	**1,170**	8,257

* Impairment of goodwill, impairment of trade receivables, write-back of impairment of trade receivables, write-off of trade receivables, impairment of an other receivable, and loss on disposal of items of property, plant and equipment are included in "Other operating expenses, net" on the face of the consolidated income statement.

Cost of inventories sold includes HK$1,243,471,000 (2014: HK$996,586,000) relating to staff costs, operating lease rentals of leasehold land and buildings, provision against obsolete inventories, amortisation of prepayments and depreciation, which are also included in the respective total amounts disclosed above for each of these types of expenses.

8. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2015	2014
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the year	**3,510**	3,704
Underprovision/(Overprovision) in prior years	**447**	(1,413)
	3,957	2,291
Current – Elsewhere		
Charge for the year	**132,334**	103,788
Overprovision in prior years	**(16,049)**	(24,407)
	116,285	79,381
Deferred	**14,043**	12,515
Total tax charge for the year	**134,285**	94,187

9. DIVIDENDS

	2015	2014
	HK$'000	*HK$'000*
Dividends paid during the year:		
Final in respect of the financial year ended 31 December 2014 – HK2.0 cents per ordinary share (2014: final dividends of HK1.6 cents per ordinary share, in respect of the financial year ended 31 December 2013)	**109,383**	87,442
Interim – HK1.6 cents (2014: HK1.0 cent) per ordinary share	**91,610**	54,652
	200,993	142,094
Proposed final dividend:		
Final – HK2.1 cents (2014: HK2.0 cents) per ordinary share	**120,240**	109,383

The proposed final dividend of HK2.1 cents per ordinary share (2014: HK2.0 cents per ordinary share) for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. These financial statements do not reflect the final dividend payable.

10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic earnings per share amount is based on the profit for the year attributable to owners of the Company, and the weighted average number of ordinary shares of 5,578,538,000 (2014: 5,316,267,000) in issue during the year, as adjusted to reflect the new shares issued during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to owners of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2015	2014
	HK$'000	*HK$'000*
Earnings:		
Profit for the year attributable to owners of the Company used in the basic earnings per share calculation	**702,839**	501,701
Interest on convertible bonds	**4,340**	–
Profit for the year attributable to owners of the Company before interest on convertible bonds	**707,179**	501,701
	'000	*'000*
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**5,578,538**	5,316,267
Effect of dilutive potential ordinary shares arising from		
– share options	**93,127**	78,224
– convertible bonds	**238,489**	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**5,910,154**	5,394,491

11. INVENTORIES

	Group 2015	2014
	2015	2014
	HK$'000	*HK$'000*
Raw materials	**412,742**	482,131
Work in progress	**421,146**	360,711
Finished goods	**772,049**	558,059
	1,605,937	1,400,901

As at 31 December 2015, molds of HK$223,785,000 (2014: HK$175,012,000) are included in the finished goods.

12. TRADE AND BILLS RECEIVABLES

	Group	
	2015	2014
	HK$'000	*HK$'000*
Trade receivables	**2,440,733**	1,998,829
Impairment allowances	**(48,835)**	(40,013)
	2,391,898	1,958,816
Bills receivable	**291,041**	207,370
	2,682,939	2,166,186

It is the general policy of the Group to allow a credit period of three to six months. In addition, for certain customers with long-established relationships and good repayment histories, a longer credit period may be granted in order to maintain a good relationship. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by management. Trade receivables are non-interest-bearing.

An aged analysis of the Group's trade and bills receivables as at 31 December 2015, based on the invoice date, is as follows:

	Group	
	2015	2014
	HK$'000	*HK$'000*
Within 3 months	**2,363,751**	1,907,767
4 to 6 months, inclusive	**274,776**	216,833
7 to 9 months, inclusive	**25,976**	35,902
10 to 12 months, inclusive	**10,068**	8,762
More than 1 year	**57,203**	36,935
	2,731,774	2,206,199
Impairment allowances	**(48,835)**	(40,013)
	2,682,939	2,166,186

13. TRADE AND BILLS PAYABLES

	Group	
	2015	2014
	HK$'000	*HK$'000*
Trade payables	**1,049,275**	959,576
Bills payable	**522,946**	369,846
	1,572,221	1,329,422

The trade payables are non-interest-bearing and are normally settled on 60 to 90 days terms. An aged analysis of the Group's trade and bills payables as at 31 December 2015, based on the invoice date, is as follows:

	Group	
	2015	2014
	HK$'000	*HK$'000*
Within 3 months	**1,198,928**	993,691
4 to 6 months, inclusive	**349,159**	308,268
7 to 9 months, inclusive	**7,375**	10,417
10 to 12 months, inclusive	**2,521**	776
More than 1 year	**14,238**	16,270
	1,572,221	1,329,422

14. SHARE CAPITAL

	2015	2014
	HK$'000	*HK$'000*
Issued and fully paid:		
5,725,650,000 (2014: 5,469,150,000) ordinary shares	**57,257**	54,692

CHAIRMAN'S STATEMENT

I am pleased to announce the annual results of Tongda Group Holdings Limited (the "Company", together with its subsidiaries, the "Group" or "Tongda Group") for the year ended 31 December 2015 (the "Year") on behalf of the board of directors of the Company (the "Board").

Benefiting from the pre-emptive moves of first-tier brands, especially Huawei and Xiaomi, fighting for market share as well as the shift in handset design trend towards metal casing, total turnover of the Group surged 26.8% to HK$6,074.1 million (2014: HK$4,791.3 million), while gross profit increased by 32.2% to HK$1,512.0 million (2014:HK$1,143.6 million). Profit attributable to shareholders amounted to HK$702.8 million (2014: HK$501.7 million), representing a 40% year-on-year growth. Thanks to the efforts on further enhancing technology and production automation while focusing on provision of high value-added products, gross profit margin surged to 24.9% (2014: 23.9%) with net profit margin lifted to 11.6% (2014: 10.5%). Such encouraging growth is attributable to the hard work of all of the staff and the management team over the past year.

The Group has brought fruitful returns to shareholders and maintained a stable dividend payout history over the years. For the Year, the Board recommends the payment of a final dividend of HK2.1 cents per share (2014: HK2.0 cents). Together with the paid interim dividend of HK1.6 cents per share (2014: HK1.0 cent), the total dividend for the Year will amount to HK3.7 cents per share (2014: HK3.0 cents).

Handsets with metal casings rapidly gained high penetration across a wide swath from the high-end to the mid-range market segment. The higher demand on the appearance and texture of the metal handset casings from customers require more processing time and more advanced technologies. The Group has diverse and innovative decorating technologies, of which, the Nano Molding Technology ("NMT") enables the production of metal casings to be less dependent on Computer Numerical Control ("CNC") machines as it can be widely applied to metal casings across different price ranges. With initiatives to cope with the expansion of the capacity of CNC machines, to develop metal forging technology for metal middle frames, etc., the Group is able to march forward in the market with numerous challenges and opportunities.

We understand that it is necessary to offer more packages with different mechanical parts in order to secure greater cooperation and more business with the existing and potential customers. During the Year, we have commenced our new precision rubber parts business. With excellent sealing, waterproof and insulating properties, the products, when combined with the Group's metal and precision plastic casings, help deliver a one-stop solution with tailor-made components ranging from battery covers, middle frames, display frames and Laser Direct Structuring ("LDS") antennas. With the increasing enhancement of the technical level of each product, the Group has progressed to the next stage of development.

In light of the unsatisfactory performance of the household electrical appliance and notebook computer market, the Group has actively developed the household electrical appliance market in the US and has successfully become a qualified supplier of General Electric and Whirlpool. Through this proactive tatic, the Group may extend its reach to new customers. During the Year, the Group proposed spin-off of its notebook computer and tablet segment so as to better concentrate its resources on the development of its handset-related core business.

Given the high development potential of new energy-driven automotives, internet of vehicles and connected mobility, the Group will place its emphasis on the development of the automotive industry in China. Over three years of strategic development of the interior decorative components for automotives as well as two years of customer's recognition and trial production, the Group has officially become a supplier of a substantial amount of wide range automotive interior decorative parts to Ford and BYD last year and its customer base had been extended to various brands, namely General Motors, Mazda, Geely Auto, Volkswagen, Wuling Motors, etc.. Riding on the trend of localization of joint-venture brands and rising domestic sales, the Group will strive its utmost to develop diversified interior decorative components for automotives so as to further expand its customer base in the automotive industry.

With a diverse product portfolio and extensive customer base, the Group has strengthened its business over the years. Looking ahead, the Group believes that the metal handset casings will remain mainstream products in China and it will continue to join forces with domestic brands, while seeking to partner with international brands, so as to expand its market share. Adhering to its strategies of in-depth technology exploration, research and development, market expansion, innovation and transformation, as well as further enhancing the level of automation, artificial intelligence and standardization of the production plant, and improving its execution capability, the Group will fully capitalize on the synergies to be generated among business segments and achieve more streamlined management structure.

APPRECIATION

Lastly, on behalf of the Board, I would like to take this opportunity to express sincere gratitude to all the staff and the management team of the Group for their hard work and valuable contribution last year. We hope to gain continuous support from all of fellow colleagues in the future. We will continue working closely with our shareholders and employees so as to turn to a new chapter in the Group's development.

Chairman
Wang Ya Nan
Hong Kong, 16 March 2016

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

For the year ended 31 December 2015, the Group's turnover grew from HK$4,791.3 million last year by 26.8% to HK$6,074.1 million. Profit attributable to owners of the Company increased from HK$501.7 million last year by 40% to HK$702.8 million.

Revenue

As a world-leading one-stop solution provider of high-precision components for smart device, during the year, the Group had benefited from the brand effect of smartphone market in the PRC, pre-emptive moves of first-tier brands fighting for market shares, as well as the shift in handset design trend towards metallic and ultra-thin casing with large screen, and the rise in income of the main handset customers, thus driving the turnover for the year to increase by 26.8%.

Gross Profit

The Group's gross profit for the year increased 32.2% to HK$1,512.0 million compared with HK$1,143.6 million last year, which was mainly attributable to the overall increase in gross profit margin from 23.9% last year to 24.9% due to the increased proportion of handset business with a higher segment margin in general.

Other Income and Gains, net

During the year under review, other income and gains, net was HK$25.9 million, a slight decrease of HK$0.6 million from last year, which was mainly attributable to the increase in net loss from exchange differences caused by the devaluation of the RMB, which offset with the increase in government grants, other miscellaneous income and the bank interest income.

Selling and Distribution Expenses

During the year under review, selling and distribution expenses increased by 32.6% from HK$112.0 million to HK$148.5 million. The increase was mainly attributable to the increase in freight charges and commission expenses.

Administrative Expenses

During the year under review, administrative expenses rose by 34.8% from HK$330.3 million to HK$445.2 million, which was mainly due to an increase in research and development ("R&D") expenses and staff remuneration.

Other Operating Expenses, net

Other operating expenses, net decreased by 40.3% from HK$26.8 million to HK$16.0 million during the year under review, which was mainly attributable to no impairment of goodwill in 2015 and decrease in loss incurred from disposal of fixed assets, which offset the increase in the provision of receivables.

Finance Costs

During the year under review, finance costs decreased 2.1% from HK$56.9 million to HK$55.7 million as a result of the reduction in interest expenses on discounted bills.

Profit before tax

For the year ended 31 December 2015, profit before tax amounted to HK$872.3 million, representing a year-on-year growth of 35.8% from HK$642.4 million, which was in line with the growth in net profit of the Group.

Profit Attributable to Owners of the Company for the Year

Profit attributable to owners of the Company increased 40% from HK$501.7 million in last year to HK$702.8 million, while the overall net profit margin rose to 11.6% (2014: 10.5%), which was mainly because both profit and market share gained from the handset business segment increased.

Liquidity, Financial Resources and Capital Structure

The Group had a solid financial position and continued to maintain a strong and steady cash inflow from operating activities. During the year, the Group's primary sources of funding included cash generated from operating activities, the credit facilities provided by the Group's principal banks in Hong Kong and China as well as the 1% convertible bonds of HK$880.0 million due 2018 issued on 2 July 2015.

As at 31 December 2015, the Group had cash and cash equivalents and pledged deposits of HK$936.0 million (31 December 2014: HK$477.6 million), and without holding any structural investment contract of which approximately HK$173.6 million (31 December 2014: HK$117.5 million) has been pledged to banks as security for trade financing.

As at 31 December 2015, the Group had total assets of HK$8,588.9 million (31 December 2014: HK$6,367.1 million), net current assets of HK$2,469.9 million (31 December 2014: HK$1,934.0 million) and equity of HK$4,039.3 million (31 December 2014: HK$3,636.5 million).

The Group issued HK$880.0 million 1% convertible bonds due 2018 on 2 July 2015. As the Board declared an interim dividend of HK1.6 cents per share for the six months ended 30 June 2015 on 18 August 2015, the Group adjusted the conversion price to HK$1.85 per share on 9 September 2015.

Management believes that the Group's current cash and cash equivalents, together with available credit facilities and expected cash flow from operations, will be sufficient to satisfy its current operational requirements.

Capital Expenditure

The total capital expenditure incurred for the year was HK$1,113.2 million (31 December 2014: HK$625.8 million), which was mainly used in purchase of equipment related to the production of metal handset components and construction of new manufacturing plants.

TREASURY POLICY

The Group's revenue was principally denominated in Hong Kong dollars, RMB and US dollars while purchases were transacted mainly in Hong Kong dollars, RMB, US dollars and Japanese Yen. The foreign currency risks generated from the revenue and purchases can be offset against each other. The fluctuation of RMB in 2015 caused a decrease in net profit of the Group of approximately HK$22.8 million. Currently, the Group has not entered into any financial instrument for hedging purposes. However, the Group will closely monitor its overall foreign exchange and interest rate exposure, and consider hedging against exposure should any need arise.

CHARGES ON GROUP ASSETS

Apart from bank deposits amounting to HK$173.6 million (31 December 2014: HK$117.5 million) that were pledged to banks and a leasehold building in Hong Kong with a carrying amount of HK$40.5 million (31 December 2014: HK$40.0 million) mortgaged by the Group as at 31 December 2015, the Group had no other pledge of assets to any financial institution.

HUMAN RESOURCES

As at 31 December 2015, the Group employed a total of approximately 20,000 employees (31 December 2014: 16,000 employees) in Hong Kong and the PRC. The total salaries and wages for the year ended 31 December 2015 amounted to HK$1,133.0 million (31 December 2014: HK$892.4 million).

Employees are remunerated based on their performance, experience and prevailing industry practice. The Group's remuneration policies and packages are reviewed by its management on a regular basis. In addition to offering competitive salary packages, the Group also grants discretionary bonuses and share options to subscribe shares of the Company to qualified employees based on operation conditions and individual performance.

GEARING RATIO AND INDEBTEDNESS

As at 31 December 2015, the gearing ratio of the Group (consolidated net borrowings/total equity) was 35.5% (31 December 2014: 13.8%).

As at 31 December 2015, other than the non-current portion of bank loans of HK$519.3 million and convertible bonds of HK$873.0 million (31 December 2014: HK$350.8 million), the Group had bank and other borrowings of HK$976.4 million (31 December 2014: HK$629.1 million) which will be repayable within one year from the end of the reporting period.

The effective interest rates per annum for the Company's bank loans are Hong Kong Interbank Offered Rate ("HIBOR") plus 1.5% per annum ("p.a."), 1.75% p.a. and 1.85% p.a. and a fixed rate of 2.65% p.a.. Other than the Company's bank loans, the effective interest rates for the Group's bank and other borrowings are HIBOR plus 1.5% p.a., 1.9% p.a. and 2.6% p.a. to 7.28% p.a..

Business Review

Electrical Fittings Division

The Group primarily engages in one-stop design and production of smart device products, including casings and components for handsets, electrical appliances and notebook computers for domestic and international customers. During the year, the Group focused on the improvements in technology, expanding production capacity, strengthening customer relationships and bolstering quality management. Its revenue grew by 31.4% from HK$3,637.0 million last year to approximately HK$4,780.3 million, representing 79% of total turnover of the Group.

Handsets

Through successfully seizing the market opportunities in respect of metal components, the Group's continued to transform and improve its handset casing products during the year. With sleek, durable and high-end features, handsets with metal casings have been well-received by consumers, and they rapidly gained penetration from the high-end market segment to the mid-range market segment during the year. Benefiting from its higher unit price and gross profit margin, turnover of the Group soared by 53.7% from HK$2,415.0 million in 2014 to HK$3,712.5 million, representing 61% of total turnover.

The Group's major handset customers include domestic and international brands, namely Huawei, Xiaomi, OPPO, Asus, Coolpad, Vivo, etc., who have considered metal handsets and peripheral fittings as their key focus during the year. The increasingly stringent requirements of metal handset casings in terms of the curvature, thickness, color and texture have resulted in constant increase in their processing time and technology barriers. Only companies with diverse craftsmanship and one-stop service providers with complete assembly procedures ranging from mold designing to casing processing like the Group can provide competitive products.

The Group's diverse metal treatment solutions can be applied to metal handsets across a wide price range. Of which, the Nano Molding Technology ("NMT") has been widely applied by customers to the manufacturing of metal casings. This technology attaches metal and plastic at the Nano level, which reduces production lead time, resulting in higher price-performance ratio of products, as well as raising yield. This technology has been generally used in mid-segment handsets with a high price-performance ratio. With strong foresight, the Group has developed capability to handle for Computer Numerical Control ("CNC") machines and the metal stamping/forging technology can shorten CNC processing time. Composite die-casting technology is used in processing metal middle frames, and technologies including Metal Injection Molding ("MIM") are applied in the production of metal precision components.

Furthermore, the Group also achieved progress developing its precision rubber parts business during the year. Such products have excellent sealing, waterproof and insulating properties, which provide good protection to the electronic components in the handsets. With these products, the Group expects to extend its reach to the supply chains of reputable international customers, or provide one-stop supply of a wide variety of components incorporating this product, including precision rubber handset casings, metal frames, middle frames, rubber parts, and Laser Direct Structuring ("LDS") antennas, thereby enhancing its overall competitiveness.

Electrical Appliances

Revenue of electrical appliances still accounted for approximately 10% of total turnover, amounting to HK$587.5 million. Our major customers include China's well-known household electrical appliance brands, such as Haier, Gree and Midea, and the products include panels for high-end air-conditioners, refrigerators, washing machines and rice-cookers. During the year, there was a slight decline in our overall performance, which was attributable to the weak demand for domestic household electrical appliances. In view of this, the Group proactively took steps to develop overseas markets. In addition to the existing customers, such as Panasonic, Zojirushi, Electrolux and DYSON, the Group has also become a qualified supplier of General Electric and Whirlpool, a significant step toward penetrating the US market.

Notebook Computers

During the Year, revenue of notebook computers decreased from HK$633.6 million by 24.2% to HK$480.3 million, which accounted for 8% of the turnover. Major products of the business include ultrabook and tablet casings made of precision metal and plastics. The divestment of a customer from the international market in the second half of 2014 dampened the turnover of the Group during the year. During the year, the Group secured orders for high-end products from major customers like Lenovo, and orders from other international brands namely Fujitsu, Toshiba and NEC had become stable. During the year, the Group proposed spin-off of the notebook computer and tablet segment so as to concentrate its resources in the development of its handset-related core business.

Ironware Parts Division

Revenue of this division decreased by 31.4% from HK$687.7 million last year to HK$471.9 million, which represented 8% of the turnover. Over the years, the Group not only produced metal set top boxes casing, but also provided one-stop services to electrical appliance customers for the production of aluminum parts and precision metal components with different surface effects.

Communication Facilities Division and Other Business

Revenue of the division increased by 76.1% from HK$466.6 million last year to HK$821.9 million, representing 13% of the turnover. The division offers a wide variety of products, including digital satellite TV receivers, plastic set top boxes casings, durable household goods and sports equipment. The Group had already commenced the development of the automotive interior decoration business three years ago. After two years of customers' recognition and trial production, the Group has officially become a supplier of a substantial amount of numerous automotive interior decorations to Ford and BYD last year and secured a number of new orders from various automotive brands, such as General Motors, Mazda and Geely Auto.

Percentage of total revenue by types of product for the year ended 31 December 2015 and a comparison with 2014 are as follows:

	2015	2014
Electrical Fittings Division	**79%**	76%
i. Handsets	**61%**	51%
ii. Electrical Appliances	**10%**	12%
iii. Notebook Computers	**8%**	13%
Ironware Parts Division	**8%**	14%
Communication Facilities and Other Business	**13%**	10%

Business Prospects

During the year, with the global economy clouded with uncertainties, the growth of global handset shipment has slowed down. Leveraging their edge of outstanding cost-performance ratio, the performance of the renowned handset brands in Mainland China outpaced competitors in the industry. The Group anticipates a continuous increase in the penetration rate of the domestic handsets in the global market. As a supplier possessing advanced and innovative technologies, strong integration capability and products with a high price performance ratio, the Group has benefited from the new opportunities arising from the popularity of 4G market. It will strive to gain a larger market share amid intense industry consolidation.

In the short term, the Group will focus on improving the quality and production efficiency of metal casings for handsets and will maximize its penetration among the existing customers by delivering high quality, stable and reliable products. Keeping abreast of the market dynamics through application and research of new technologies, new materials and new craftsmanship, as well as strengthening the compatibility of the components, the Groups will increasingly be able to cope with fierce industry competition. Besides, the Group will proactively explore the household appliance market in the United States and seek new impetus for further development.

The automotive market in China is the key target of the Group in the mid-to-long term. In view of the high development potential of new energy-driven automotives, internet of vehicles and connected mobility, the Group will try its best to develop interior decorative components so as to further expand its customer base in the automotive industry. It is expected to explore all-around cooperation, with customers like Volkswagen and Wuling Motors amid localization of joint venture brands and the anticipated increase in domestic automotive market.

The Group, as always, will continue to optimize its resources in quality control, production and operation. It will also conduct technology research and development and will strive to enhance its overall competitive advantages through more automatic, intelligent, standardized production and optimized quality, in order to seize future opportunities.

CONTINGENT LIABILITIES

The Company had contingent liabilities in respect of corporate guarantees provided for banking facilities for certain subsidiaries, which were utilised to the extent of HK$530,978,000 (2014: HK$245,056,000) at the end of the reporting period.

Save as disclosed above, neither the Group, nor the Company, had any significant contingent liabilities at the end of the reporting period.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the directors, the Company has complied with all code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") of the Stock Exchange throughout 2015 with certain deviations as mentioned below:

The Company has three independent non-executive Directors, namely Dr. Yu Sun Say, GBM, GBS, SBS, JP, Mr. Cheung Wah Fung, Christopher, SBS, JP, and Mr. Ting Leung Huel Stephen respectively.

The three independent non-executive Directors are not appointed for a fixed term of office, but they are subject to the retirement by rotation and re-election of Directors in accordance with the Articles of Association of the Company, which require one-third of the Directors in office to retire from office by rotation and re-election at each annual general meeting. According to A.4.1 of the CG Code, it requires that all non-executive directors should be appointed for a specific term, subject to re-election. Since their appointment will be reviewed when they are due for re-election, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less than those set out in the CG Code.

According to A.2.1 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. The Company does not have a separate Chairman and Chief Executive Officer and Mr. Wang Ya Nan currently holds both positions. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. In addition, vesting the roles of both Chairman and Chief Executive Officer in the same person provides the Group with strong and consistent leadership and allows for more effective planning and execution of long term business strategies. The balance of power is further ensured by the following reasons:

- Audit Committee (the "AC") is comprised exclusively of all independent non-executive Directors; and

- The independent non-executive Directors have free and direct access to the Company's external auditors and independent professional advisers when considered necessary.

The Board believes that the present structure is considered to be appropriate under the current size of operation, enabling the Company to make and implement decisions promptly and efficiently. The Board has full confidence in Mr. Wang Ya Nan, and believes that his appointment to the posts of Chairman and Chief Executive Officer is beneficial to the business prospects of the Company.

AUDIT COMMITTEE

The Audit Committee comprises all independent non-executive Directors, Mr. Ting Leung Huel Stephen, Mr. Cheung Wah Fung, Christopher and Dr. Yu Sun Say. Mr. Ting takes the chair of the AC. The term of reference of the AC are aligned with the recommendations as set out in "A Guide for Effective Audit Committee" issued by the Hong Kong Institute of Certified Public Accountants and the code provisions as set out in the CG Code. The AC provides accounting and financial advices and recommendations to the Board as well as monitor and safeguard the independence of external auditors and relevant auditing matters. In addition, the AC is responsible to review and supervise the internal control system of the Group and transactions with connected persons (if any).

The Group's unaudited interim results for the six months ended 30 June 2015 and annual results for the year ended 31 December 2015 have been reviewed by the AC which was of the opinion that the preparation of the relevant financial statements complied with the applicable accounting standards and requirements and that adequate disclosure has been made.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, its holding company, nor any of its subsidiaries redeemed or sold any of the Company's listed securities during the year.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules (the "Model Code") as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiries of the Company's directors, the directors have complied with the required standard set out in the Model Code throughout the accounting period covered by the annual report.

AUDITORS

Ernst & Young will retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

PUBLICATION OF FINAL RESULTS

This announcement will be published on the websites of the Stock Exchange and the Company.

The annual report of the Company for the financial year ended 31 December 2015 containing all the information required by appendix 16 to the Listing Rules and other applicable laws and regulations will be despatched to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

PROPOSED FINAL DIVIDEND

The Board recommends the payment of a final dividend of HK2.1 cents per share for the year ended 31 December 2015. The proposed final dividend will be paid to Shareholders whose names appear on the register of members of the Company as at the close of business on 10 June 2016, if the proposal is approved by the Shareholders at the forthcoming annual general meeting. It is expected that the final dividend will be paid on or about 21 June 2016.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "Annual General Meeting") will be held on 2 June 2016. A notice convening the Annual General Meeting will be published on the websites of the Stock Exchange and the Company and despatched to the Shareholders on or before 30 April 2016.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 13 June 2016 to 15 June 2016 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend for the year ended 31 December 2015, all share transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong (which will be relocated to Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong with effect from 5 April 2016), for registration not later than 4:00 p.m. on 10 June 2016.

APPRECIATION

Lastly, I would like to thank all the staff and the management team for their hard work in the past year. I would also like to express heartfelt gratitude to all of our customers and suppliers on behalf of the Group, and wish for their continuous supports in the future. We will keep working closely with our shareholders and employees to steer the Group to a more modernised and sophisticated level of operation, through which we aspire to turn to a new chapter in the Group's development.

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

Hong Kong, 16 March 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 Dr. Yu Sun Say, J.P., Mr. Cheung Wah Fung, Christopher, J.P. and Mr. Ting Leung Huel Stephen as independent non-executive directors.