

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities nor is it calculated to invite any such offer or invitation. In particular, this announcement does not constitute and is not an offer to sell or a solicitation of any offer to buy securities in Hong Kong or elsewhere.*



## **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)**

### **PROPOSED SPIN-OFF AND SEPARATE LISTING OF THE NOTEBOOK AND TABLET CASINGS MANUFACTURING BUSINESS OF THE GROUP ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED**

- (1) APPROVAL OF THE TONGDA DISTRIBUTION;**
- (2) CLOSURE OF REGISTER OF MEMBERS; AND**
- (3) RE-DESIGNATION OF DIRECTOR**

The Board refers to the Announcements. Unless the context requires otherwise, the capitalised terms used herein shall have the same meanings as those defined in the Announcements. The purpose of this announcement is to provide the Shareholders and public investors with the updated information on the Proposed Spin-off and the Listing.

A meeting of the Board was convened on 14 February 2018, at which the Board approved the Tongda Distribution by way of conditional distribution in specie, in the form of Special Interim Dividend, of all the THT Shares in issue to the Qualifying Tongda Shareholders.

The Tongda Distribution Record Date will be on Friday, 23 February 2018, and the register of members of the Company will be closed on Thursday, 22 February 2018 and Friday, 23 February 2018 (during which no transfer of Shares will be effected).

As of 14 February 2018, there were 6,051,725,553 Shares in issue. On this basis, the Tongda Distribution will comprise of 151,293,138 THT Shares. If there is any increase in the number of Shares after the date of this announcement and before the Tongda Distribution Record Date, the number of Shares comprising the Tongda Distribution will increase accordingly so as to maintain the distribution ratio of one THT Share for every 40 Shares. The Shares may increase on or before the Tongda Distribution Record Date as a result of exercise of the share options by the employees of the Group under the share option scheme adopted by the Company and/or conversion of the Company's convertible bonds by bondholders.

The Directors would like to emphasise that the Proposed Spin-off and the Listing are subject to, among other things, (a) the Stock Exchange approving the Proposed Spin-off; (b) the Share Offer becomes unconditional and is duly completed in accordance with the terms and conditions in the prospectus of THT and the application forms for the Share Offer; and (c) the Listing Committee granting the listing of, and permission to deal in, the THT Shares in issue and the THT Shares to be issued pursuant to the Share Offer and the prospectus of THT on the Main Board of the Stock Exchange and such listing and permission not subsequently having been revoked prior to the commencement of dealing in the THT Shares on the Main Board of the Stock Exchange.

The Board also announces that with effect from the completion date of the Proposed Spin-off, Mr. Wong Ah Yu will be re-designated from an executive Director to a non-executive Director due to his commitments to serve as the executive director of THT. Mr. Wong Ah Yu will continue to serve the Company as a non-executive Director and make his continuous contribution to our business.

**The Proposed Spin-off is subject to, among other things, the approval of the Stock Exchange and the final decision of the Board and the board of directors of THT which are dependent upon, among others, market conditions during the period from now and up to the Proposed Spin-off. Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off will take place and as to when it may take place. Accordingly, Shareholders and potential investors of the Company should exercise caution when dealing in or investing in the securities of the Company.**

This announcement is issued by the board (the “**Board**”) of directors (the “**Directors**”) of Tongda Group Holdings Limited (the “**Company**”). The Board refers to the announcements (the “**Announcements**”) of the Company dated 31 August 2016, 20 April 2017, 9 October 2017, 16 October 2017, 8 December 2017 and 2 February 2018. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

The purpose of this announcement is to provide the Shareholders and public investors with the updated information on the Proposed Spin-off and the Listing.

## **APPROVAL OF THE DECLARATION OF THE SPECIAL INTERIM DIVIDEND**

A meeting of the Board was convened on 14 February 2018, at which the Board approved the Tongda Distribution by way of conditional distribution in specie, in the form of Special Interim Dividend, of all the THT Shares in issue to the Qualifying Tongda Shareholders. The Tongda Distribution is not required to be approved by the Shareholders of the Company under article 155 of the articles of association of the Company.

### **Number of Shares and entitlement of the Qualifying Tongda Shareholders**

Each Qualifying Tongda Shareholder will be entitled to one THT Share for every 40 Shares held by it/him/her on the Tongda Distribution Record Date. The Special Interim Dividend is conditional upon the Proposed Spin-off becoming unconditional. On the basis of 6,051,725,553 Shares in issue as of 14 February 2018, a total of 151,293,138 THT Shares, representing all the THT Shares in issue, will be distributed to the Qualifying Tongda Shareholders on a pro rata basis.

If there is any increase in the number of Shares after the date of this announcement and before the Tongda Distribution Record Date, the number of Shares comprising the Tongda Distribution will increase accordingly so as to maintain the distribution ratio of one THT Share for every 40 Shares. The number of Shares may increase on or before the Tongda Distribution Record Date as a result of exercise of the share options by the employees of the Group under the share option scheme adopted by the Company and/or conversion of the Company’s convertible bonds by bondholders. The Company will issue a further announcement on the exact number of Shares in issue as of the Tongda Distribution Record Date, the number of THT Shares subject to the Tongda Distribution and further arrangements for distribution to the Qualifying Tongda Shareholders and Overseas Tongda Shareholders.

## **Overseas Tongda Shareholders**

The overseas Tongda Shareholders residing in jurisdictions other than Hong Kong should inform themselves about and observe all legal and regulatory requirements applicable to them. It is the responsibility of the overseas Tongda Shareholders to satisfy themselves as to the full observance of the laws of the relevant jurisdictions applicable to them in connection with the Tongda Distribution, including obtaining of any governmental, exchange control or other consents which may be required, or compliance with any other necessary formalities and payment of any issue, transfer or other taxes due in such jurisdiction.

The overseas Tongda Shareholders should consult their professional advisers if they are in any doubt as to the potential applicability of, or consequences under, any provision of law or regulation or judicial or regulatory decisions or interpretations in any jurisdiction, territory or locality therein or thereof and, in particular, whether there will be any restriction or prohibition on the receipt, acquisition, retention, disposal or otherwise with respect to the THT Shares.

The Special Interim Dividend will not be available to the overseas Tongda Shareholders with addresses outside Hong Kong unless the Board is satisfied, with the support of legal opinions, that the distribution of the THT Shares to the overseas Tongda Shareholders will not contravene the applicable securities legislation of the relevant overseas jurisdictions or the requirements of the relevant regulatory body or stock exchange in that jurisdiction. If no THT Shares are allotted to the overseas Tongda Shareholders, they will receive cash amount (after deducting expenses) equals to the net proceeds from the sales by the Company of the THT Shares.

## **Fractional entitlement to the THT Shares under the Tongda Distribution**

Fractions of the THT Shares will not be allotted to the Qualifying Tongda Shareholders under the Tongda Distribution. For the Qualifying Tongda Shareholders with fractional entitlement to the THT Shares under the Tongda Distribution, their entitlements will be rounded down to the nearest whole number of the THT Share. The fractional entitlements of the Qualifying Tongda Shareholders will be aggregated and sold by the Company on the market at the price equivalent to the closing price for each THT Share on the date of Listing. The proceeds of sale (net of expenses and taxes) will be retained for the benefit of the Company.

## **TONGDA DISTRIBUTION RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS**

The Tongda Distribution Record Date will be on Friday, 23 February 2018, and the register of members of the Company will be closed on Thursday, 22 February 2018 and Friday, 23 February 2018 (during which no transfer of Shares will be effected). The following sets forth a timetable for the Tongda Distribution:

<b>Key dates</b>	<b>2018</b>
Last day of dealings in the Shares on a cum entitlement basis	Thursday, 15 February
First day of dealings in the Shares on an ex entitlement basis	Tuesday, 20 February
Latest time for lodging transfers of the Shares cum entitlement to THT Shares pursuant to the Tongda Distribution at 4:00 p.m.	Wednesday, 21 February
Register of members of the Company in Hong Kong closes	Thursday, 22 February and Friday, 23 February
Tongda Distribution Record Date	Friday, 23 February
Register of members of the Company in Hong Kong opens	Monday, 26 February

In order to qualify for the entitlement under the Tongda Distribution, all transfer forms accompanied by the relevant Share certificates must be lodged with the Hong Kong branch Share Registrar, Union Registrars Limited, Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Wednesday, 21 February 2018. Under the T+2 settlement arrangements in the CCASS, investors who would like to receive the Special Interim Dividend are encouraged to confirm their purchase of Shares on Thursday, 15 February 2018. The register of members of the Company will open for registration of transfers on Monday, 26 February 2018.

## **MEETING OF THE BOARD OF DIRECTORS OF THT**

On 8 February 2018, a meeting of the board of directors of THT was convened for the approval of the Listing and the arrangements related thereto. In addition to the Tongda Distribution, THT would offer, as part of the Listing, certain THT Shares to members of the public in Hong Kong. The prospectus for the Share Offer is expected to be issued by THT on 28 February 2018. A further announcement will be issued by the Company when the prospectus of THT is published. THT will also publish a formal notice on the date of the prospectus. Relevant document(s) regarding the arrangements of the Tongda Distribution and the Proposed Spin-off will be despatched to the Shareholders by post on 28 February 2018 for information purpose.

## **RE-DESIGNATION OF DIRECTOR**

The Board also announces that with effect from the completion date of the Proposed Spin-off, Mr. Wong Ah Yu will be re-designated from an executive Director to a non-executive Director as he will serve as an executive director of THT. Mr. Wong Ah Yu will continue his services to the Company and make his continuous contribution to our business.

Mr. Wong Ah Yu, aged 64, joined the Company since 1988 and has been an executive Director since September 2000. He is responsible for the overall strategic directions, financial management, human resources and administration of the Company. He has over 35 years' experience in the electronics and electrical industry. Save as disclosed above, he had not held any directorship in other publicly listed companies whether in Hong Kong or overseas in the past three years.

In light of the re-designation, Mr. Wong Ah Yu will enter into a letter of appointment as a non-executive Director with the Company for a term of three years commencing from the completion date of the Proposed Spin-off renewable following the expiration of the term, and is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. He will be entitled to receive a fixed annual director's fee of approximately HK\$990,000, which was determined with reference to his experience and qualification, his duties and responsibilities in the Group, and the prevailing market conditions.

Mr. Wong Ah Yu is the younger brother of Mr. Wong Ah Yeung and the elder brother of Mr. Wang Ya Hua and Mr. Wang Ya Nan, being executive Directors, and the uncle of Mr. Wang Ming Che, an executive Director. As at the date of this announcement, Mr. Wong Ah Yu was (i) beneficially interested in 96,460,000 shares of the Company within the meaning of Part XV of the SFO; and (ii) beneficially interested in 25% of the issued shares in Landmark Worldwide Holdings Limited, a substantial shareholder of the Company.

Save as disclosed above, Mr. Wong Ah Yu has no relationships with any Directors, senior management, substantial or controlling shareholders of the Company and there are no matters relating to the aforesaid re-designation that need to be brought to the attention of the shareholders of the Company, nor is there any other information required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

The Board would like to take this opportunity to express its gratitude towards Mr. Wong Ah Yu for his contribution as an executive Director in the past and look forward to his continuous contribution to the Group as a non-executive Director.

## **IMPORTANT INFORMATION ON THE PROPOSED SPIN-OFF AND THE LISTING**

The Directors would like to emphasise that the Proposed Spin-off and the Listing are subject to, among other things, (a) the Stock Exchange approving the Proposed Spin-off; (b) the Share Offer becomes unconditional and is duly completed in accordance with the terms and conditions in the prospectus of THT and the application forms for the Share Offer; and (c) the Listing Committee granting the listing of, and permission to deal in, the THT Shares in issue and the THT Shares to be issued pursuant to the Share Offer and the prospectus of THT on the Main Board of the Stock Exchange and such listing and permission not subsequently having been revoked prior to the commencement of dealing in the THT Shares on the Main Board of the Stock Exchange.

### **GENERAL**

**The Proposed Spin-off is subject to, among other things, the approval of the Stock Exchange and the final decision of the Board and the board of directors of THT which are dependent upon, among others, market conditions during the period from now and up to the Proposed Spin-off. Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off will take place and as to when it may take place. Accordingly, Shareholders and potential investors of the Company should exercise caution when dealing in or investing in the securities of the Company.**

Further announcement(s) will be made by the Company in relation to the Proposed Spin-off as and when appropriate.

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

Hong Kong, 14 February 2018

*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, GMB, GBS, SBS, JP, Mr. Cheung Wah Fung, Christopher, SBS, JP and Mr. Ting Leung Huel Stephen as independent non-executive Directors.*