TUNGTEX (HOLDINGS) COMPANY LIMITED
同得仕（集團）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00518)

PROFIT WARNING

This announcement is made by **Tungtex (Holdings) Company Limited** (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Board, the Group is expected to record a increase in its unaudited loss for the six months ended September 30, 2016 as compared to the unaudited loss for the corresponding period for the six months ended September 30, 2015. Such increase in loss was mainly attributable to (i) certain of the Group's customers in the US had closed down their operations, or shifted their product sourcing out of the China. Such developments resulted in significant decline in sales which had, in turn, impacted on the Group's turnover, as well as its profit margin due to diminished benefit from economies of the scale; and (ii) customer purchasing preference inclined towards fast changing fashion at competitive prices. To accommodate customers' needs and to maintain its niches in the market, the Group had adjusted its manufacturing model and pricing strategy, leading to lower profit margins during the six-month period.

The Company is still in the process of finalizing the interim results for the six months period ended September 30, 2016. The information contained in this announcement is only based on a preliminary assessment made by the Board with reference to the information currently available, including the unaudited management accounts of the Group. Shareholders of the Company and potential investors are advised to refer to the details of the Group's interim results for the six months period ended September 30, 2016 which are expected to be published on November 29, 2016.

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

For and on behalf of the Board
Tungtex (Holdings) Company Limited
同得仕（集團）有限公司
Benson Tung Wah Wing
Chairman and Managing Director

Hong Kong, November 17, 2016

As at the date of this announcement, the executive directors of the Company are Mr. Benson Tung Wah Wing, Mr. Raymond Tung Wai Man, Mr. Martin Tung Hau Man and Mr. Billy Tung Chung Man; and the independent non-executive directors are Mr. Tony Chang Chung Kay, Mr. Robert Yau Ming Kim and Mr. Leslie Chang Shuk Chien.