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TUNGTEX (HOLDINGS) COMPANY LIMITED

同得仕（集團）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00518)

INSIDE INFORMATION – MEMORANDUM OF UNDERSTANDING IN RELATION TO A POSSIBLE DISPOSAL

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board is pleased to announce that after trading hours on 11 July 2019, the Company entered into the MOU in relation to the Possible Disposal.

The MOU, save for provisions relating to exclusivity period, termination, costs and fees, confidentiality and certain miscellaneous provisions, is non-legally binding in nature. As such, the Possible Disposal may or may not proceed. Shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

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

THE MOU

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 11 July 2019, the Company and a potential purchaser who is a third party independent of the Company and its connected persons (as defined in the Listing Rules) (the “**Potential Purchaser**”), entered into a memorandum of understanding (the “**MOU**”) in relation to the proposed disposal by the Company of all the shares of Sing Yang (Overseas) Limited (“**SYOL**”), a direct wholly-owned subsidiary of the Company (the “**Possible Disposal**”). SYOL owns an industrial building with the name “同得仕大廈” located at 中國深圳福田區北環路市政二號路 (Shizheng No. 2 Road, Beihuan Road, Futian District, Shenzhen, the PRC) with total gross floor area of approximately 11,033 square meters erected on a land parcel for industrial use with a site area of approximately 4,319.4 square meters.

Earnest money and exclusivity period

Pursuant to the MOU, the Potential Purchaser has paid a refundable earnest money of RMB10,000,000 into a bank account under the joint control of the Group and the Potential Purchaser.

The Potential Purchaser shall be entitled to an exclusivity period of 20 days upon payment of earnest money for due diligence process. The initial exclusivity period will be extended for 25 days for negotiation of the formal sale and purchase agreement if no material issue is identified by the Potential Purchaser in the due diligence process. The exclusivity period can be further extended by mutual agreement.

The earnest money will be refunded to the Potential Purchaser if the MOU is terminated and no formal sale and purchase agreement in relation to the Possible Disposal is entered by the parties.

GENERAL

The Possible Disposal, if materialised, may constitute a notifiable transaction for the Company under the Listing Rules. The Company will make further announcement(s) as and when appropriate and comply with all other applicable requirements under the Listing Rules in this regard.

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For and on behalf of the Board
Tungtex (Holdings) Company Limited
Martin Tung Hau Man
Chairman

Hong Kong, 11 July 2019

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