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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

This announcement is published pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of Tongda Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to inform the shareholders and potential investors of the Company that based on the preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021, which have not been reviewed or audited by the independent auditors and/or the audit committee, it is expected that the net profit attributable to the owners of the Company will record an approximate increase of not less than 75% as compared with the corresponding period in 2020. The increase was primarily attributable to (i) the increase in the Group’s production capacity over the previous year that could timely match with the increase in the shipments of its major customers during the period, resulting in an increase in the Group’s turnover during the period; and (ii) the increase in the Group’s EBITDA during the period that reflected enhancement in operation capacity. In addition, we have engaged two globally leading international consulting firms to assist the Group in optimisation and reform of its operation since last year, together with our view to complementing the Group’s business development, enhancing the production efficiency and addressing the demand from customers for their products, as well as an increase in depreciation expenses during the period, the additional consulting fees, the increase in R&D expenses and the increase in depreciation expenses offset part of the increase in profits brought by the increase in the Group’s turnover.

The information contained in this announcement is only based on our preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2021, which have not been reviewed or audited by the independent auditors and/or the audit committee of the Company. The Company is still finalising the unaudited interim results of the Group for the six months ended 30 June 2021. The interim results will be published on 27 August 2021.

Shareholders and potential investors of the Company are advised not to place undue reliance on the aforesaid information and they are advised to exercise caution in dealing in the securities of the Company.

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

Hong Kong, 6 August 2021

As at the date of this announcement, the Board comprises Mr. Wang Ya Nan, Mr. Wang Hung Man, Mr. Wong Ming Sik, Mr. Wong Ming Yuet and Mr. Hui Wai Man as executive Directors; Ms. Chan Sze Man as non-executive Director; and Dr. Yu Sun Say, GBM, GBS, SBS, JP, Mr. Cheung Wah Fung, Christopher, SBS, JP and Mr. Ting Leung Huel Stephen as independent non-executive Directors.