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TONGDA HONG TAI HOLDINGS LIMITED

通達宏泰控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2363)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO (1) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL; AND (2) PROPOSED RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARE FOR EVERY ONE (1) EXISTING SHARE HELD ON THE RECORD DATE

Reference is made to the announcement of the Company dated 5 May 2023 (“**Announcement**”). Unless otherwise stated, all capitalised terms used herein shall have the same meanings as those defined in the Announcement.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

In order to facilitate the Rights Issue and to provide the Company with flexibility for fundraising by allotting and issuing new Shares in the future as and when appropriate for future investment opportunities and other corporate purposes, the Board proposes to seek the approval by way of ordinary resolution at the EGM by the Shareholders of an increase in its authorized share capital from HK\$10,000,000 divided into 1,000,000,000 shares to HK\$30,000,000 divided into 3,000,000,000 shares, by creating an additional 2,000,000,000 unissued Shares (the “**Authorised Share Capital Increase**”), all of which will, upon issue and being fully paid, rank *pari passu* in all respects with the Shares in issue.

The Board believes the Authorised Share Capital Increase is in the interests of the Company and the Shareholders as a whole.

A circular containing, among other things, further details of the increase in Authorised Share Capital Increase, together with a notice convening the EGM is expected to be despatched to the Shareholders on or before 25 May 2023. The Authorised Share Capital Increase is subject to approval by the Shareholders by way of an ordinary resolution at the EGM.

SUPPLEMENTAL INFORMATION TO THE RIGHTS ISSUE

Save as disclosed in the Announcement, the Company wishes to provide supplemental information in relation to the conditions of the Rights Issue. For the sake of completeness, details of the conditions of the Rights Issue are set out as below:

The Rights Issue is conditional upon:

- (a) the passing by the Shareholders (or the Independent Shareholders, as the case may be) at the EGM of the necessary resolution(s) to approve the Rights Issue and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by no later than the Prospectus Posting Date;
- (b) the approval by the Shareholders of the Authorised Share Capital Increase at the EGM;
- (c) the Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, all the Rights Shares (in their nil-paid and fully-paid forms);
- (d) the delivery to the Stock Exchange and the filing and registration with the Registrar in Hong Kong respectively one duly certified copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorized in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Prospectus Posting Date;
- (e) the posting of the Prospectus Documents to the Qualifying Shareholders by the Prospectus Posting Date and the posting of the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Prospectus Posting Date; and
- (f) the Placing Agreement not being terminated pursuant to the terms thereof and remain in full force and effect.

None of the above conditions can be waived. If any of the conditions referred to above is not fulfilled by the Latest Time for Termination, the Rights Issue will not proceed.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

The Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the paragraph headed “Supplemental Information to the Rights Issue” in this announcement. If the conditions to the Rights Issue are not fulfilled, the Rights Issue will not proceed.

Any Shareholder or other person dealing in the Shares and/or Rights Shares up to the date on which all the conditions of the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not proceed.

Subject to the fulfilment of conditions, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Rights Shares. Any Shareholders or other persons contemplating any dealings in the Shares and/or Rights Shares in nil-paid form are recommended to consult their professional advisers.

By order of the Board of
Tongda Hong Tai Holdings Limited
Wang Ya Nan
Chairman

Hong Kong, 12 May 2023

As at the date of this announcement, the executive Directors are Mr. Wong Ming Li, Mr. Lee King On Jeff and Mr. Wang Ming Zhi; the non-executive Director is Mr. Wang Ya Nan; and the independent non-executive Directors are Ms. Leung Pik Kwan, Mr. Sun Wai Hong and Mr. Chan Shiu Man.