

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.



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)

DISCLOSEABLE TRANSACTIONS IN RELATION TO SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

The Board announces that on 5 June 2024, Tongda Chuang Zhi, an indirect non-wholly owned subsidiary of the Company, used its idle fund to subscribe in certain Wealth Management Products, including the subscriptions of the First Industrial Bank Wealth Management Product and Second Industrial Bank Wealth Management Product for the subscription amount of RMB30 million and RMB40 million respectively.

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, as one of the applicable percentage ratios (as defined under the Listing Rules) for the Industrial Bank Subscriptions exceeds 5% but all the percentage ratios are less than 25%, the Industrial Bank Subscriptions, on an aggregated basis, constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

Industrial Bank Subscriptions

The Board announces that on 5 June 2024, Tongda Chuang Zhi, an indirect non-wholly owned subsidiary of the Company, used its idle fund to subscribe in certain Wealth Management Products, including the subscriptions of the First Industrial Bank Wealth Management Product and Second Industrial Bank Wealth Management Product for the subscription amount of RMB30 million and RMB40 million respectively.

Summarised below are the major terms and conditions of the Industrial Bank Subscriptions:

The First Industrial Bank Subscription

Commencement date of subscription	5 June 2024
Parties	Tongda Chuang Zhi (as subscriber) Industrial Bank (as issuer and manager of the First Industrial Bank Wealth Management Product)
Type of product	Index-linked (Shanghai gold) structured deposit with fixed and floating return
Subscription amount	RMB30 million
Term of product	32 days
Expected annualised return rate	from 1.50% to 2.57%

The Second Industrial Bank Subscription

Commencement date of subscription	5 June 2024
Parties	Tongda Chuang Zhi (as subscriber) Industrial Bank (as issuer and manager of the Second Industrial Bank Wealth Management Product)
Type of product	Index-linked (Shanghai gold) structured deposit with fixed and floating return
Subscription amount	RMB40 million
Term of product	92 days
Expected annualised return rate	from 1.50% to 2.57%

INFORMATION ON THE PARTIES

Tongda Chuang Zhi

Tongda Chuang Zhi is a company established under the laws of the PRC and an indirect non-wholly owned subsidiary of the Company principally engaged in the production of durable household goods, household utensils, sports goods and healthcare goods.

Industrial Bank

Industrial Bank is a branch of Industrial Bank Co., Ltd, a licensed bank established under the laws of the PRC, which is principally engaged in the provision of corporate and personal banking and other financial services in the PRC. Based on information publicly available to the Company, the issued shares of Industrial Bank Co., Ltd are listed on the Shanghai Stock Exchange (stock code: 601166).

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of Industrial Bank and its respective ultimate beneficial owner(s) are Independent Third Parties.

BASIS OF DETERMINATION FOR THE CONSIDERATION

The consideration of each of the Subscriptions was determined after arm's length negotiation between the Group and the counterparties and on normal commercial terms with reference to market prevailing price and minimum subscription amount as determined by the issuer of the relevant Wealth Management Products.

The Subscriptions were funded by the surplus cash of Tongda Chuang Zhi and would not affect the working capital or the operation of Tongda Chuang Zhi and the Group. The Directors took into account the investment terms, risk level and expected return rate of the Wealth Management Products. The Directors consider the terms of the Subscriptions are on normal commercial terms which are fair and reasonable, and the Subscriptions are in the interests of the Company and the Shareholders as a whole.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS

The Group is principally engaged in the provision of manufacture, sale and trading of accessories for electrical appliance products, handset casings, precise injection and printing parts, high-precision components and household goods.

In order to enhance the capital efficiency and to maximize the return from the working capital of the Group, the Group reasonably and strategically utilizes the idle funds of the Group to conduct the Subscriptions for wealth management purposes. The Directors have further considered (i) the risk associated with the Wealth Management Products is relatively low; (ii) the Subscriptions offered a better return than the prevailing fixed-term deposit interest rates generally offered by commercial banks in the PRC; and (iii) the Subscriptions have no material impact on the operations and working capital of the Group.

The Group has implemented adequate measures to closely monitor the performance of the Wealth Management Products and to review and assess the impact of the Subscriptions to the operation and working capital of the Group from time to time. In view of the above, the Directors consider that the terms of each of the Subscriptions are fair and reasonable and on normal commercial terms, and the Subscriptions are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, as one of the applicable percentage ratios (as defined under the Listing Rules) for the Industrial Bank Subscriptions exceeds 5% but all the percentage ratios are less than 25%, the Industrial Bank Subscriptions, on an aggregated basis, constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors of the Company
“Company”	Tongda Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“First Industrial Bank Subscription”	the subscription of the First Industrial Bank Wealth Management Product by Tongda Chuang Zhi on 5 June 2024 for the amount of RMB30 million as detailed in the section headed “Subscription of Wealth Management Products – Industrial Bank Subscriptions – <i>The First Industrial Bank Subscription</i> ” of this announcement
“First Industrial Bank Wealth Management Product”	the wealth management product issued by Industrial Bank and subscribed by Tongda Chuang Zhi as detailed in the section headed “Subscription of Wealth Management Products – Industrial Bank Subscriptions – <i>The First Industrial Bank Subscription</i> ” of this announcement
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	Third party(ies) independent of the Company and its connected persons (as defined under the Listing Rules)
“Industrial Bank”	Industrial Bank Co., Ltd Xiamen Jiangtou Branch
“Industrial Bank Subscriptions”	collectively, the First Industrial Bank Subscription and Second Industrial Bank Subscription

“Industrial Bank Wealth Management Products”	collectively, the First Industrial Bank Wealth Management Product and Second Industrial Bank Wealth Management Product
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC, and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Second Industrial Bank Subscription”	the subscription of the Second Industrial Bank Wealth Management Product by Tongda Chuang Zhi on 5 June 2024 for the amount of RMB40 million as detailed in the section headed “Subscription of Wealth Management Products – Industrial Bank Subscriptions – <i>The Second Industrial Bank Subscription</i> ” of this announcement
“Second Industrial Bank Wealth Management Product”	the wealth management product issued by Industrial Bank and subscribed by Tongda Chuang Zhi as detailed in the section headed “Subscription of Wealth Management Products – Industrial Bank Subscriptions – <i>The Second Industrial Bank Subscription</i> ” of this announcement
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriptions”	the Industrial Bank Subscriptions
“Tongda Chuang Zhi”	通達創智(廈門)股份有限公司 (Tongda Smart Tech (Xiamen) Company Limited*), a company established in the PRC and an indirect non-wholly owned subsidiary of the Company

“Wealth Management
Products”

the Industrial Bank Wealth Management Products

“%”

percent.

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

Hong Kong, 5 June 2024

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, GBS, SBS, JP, Mr. Ting Leung Huel Stephen and Mr. Sze Irons, BBS, JP as independent non-executive directors.

* *For identification purpose only*