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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)

RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) EXISTING SHARE HELD ON RECORD DATE

Reference is made to the prospectus (the “**Prospectus**”) of Tongda Hong Tai Holdings Limited (the “**Company**”) dated 24 January 2022 in relation to the Rights Issue on the basis of two (2) Rights Shares for every one (1) existing Share held on the Record Date and the announcement of the Company dated 14 February 2022 in relation to the number of Unsubscribed Shares subject to the Unsubscribed Arrangements (the “**Announcement**”). Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that as all the conditions with respect to the Rights Issue, the Placing Agreement and the Underwriting Agreement had been fulfilled and the Placing Agreement and the Underwriting Agreement were not terminated by the Placing Agent and the Underwriter respectively, the Rights Issue became unconditional on Thursday, 17 February 2022.

As disclosed in the Announcement, as at 4:00 p.m. on Friday, 11 February 2022, being the Latest Time for Acceptance, a total of 24 valid applications had been received for a total of 214,104,212 Rights Shares, representing approximately 47.18% of the total number of Rights Shares offered under the Rights Issue. Pursuant to the Irrevocable Undertakings, the following Rights Shares have been subscribed:

Name of subscriber	Number of Rights Shares subscribed
Landmark Worldwide	71,424,500
E-Growth Resources	14,800,000
Mr. Wang	19,306,000
Mr. Wong Ah Yu	4,822,000
Mr. Wong Ah Yeung	5,965,000
Mr. Wang Ya Hua	4,561,000

The remaining 239,727,064 Unsubscribed Shares, representing approximately 52.82% of the total number of Rights Shares offered under the Rights Issue, will be subject to the Unsubscribed Arrangements.

RESULTS OF THE UNSUBSCRIBED ARRANGEMENTS AND THE UNDERWRITING AGREEMENT

As disclosed in the Announcement, 239,727,064 Unsubscribed Shares, representing approximately 52.82% of the total number of Rights Shares available for subscription under the Rights Issue, were subject to the Unsubscribed Arrangements.

The Board is pleased to announce that as at 4:00 p.m. on Wednesday, 16 February 2022, being the latest time of placing of the Unsubscribed Shares by the Placing Agent (the “**Placing**”), no Unsubscribed Shares were placed to places. Therefore, there is no Net Gain available to be distributed to the No Action Shareholders under the Unsubscribed Arrangements.

A total of 214,104,212 Rights Shares subscribed under the Rights Issue had been accepted, representing approximately 47.18% of the total number of Rights Shares offered under the Rights Issue. The remaining 239,727,064 Untaken Rights Shares, representing approximately 52.82% of the total number of Rights Shares available for subscription under the Rights Issue, were subject to taken up by the Underwriter in accordance with the terms of the Underwriting Agreement.

Pursuant to the Underwriting Agreement, up to 332,952,776 Rights Shares will be firstly taken up by Landmark Worldwide. Pursuant to the sub-underwriting arrangement, up to 4,000,000 Rights Shares will be taken up by Zhong Jia Securities in order to ensure that there is sufficient public float exists in the Shares upon completion of the Rights Issue. After the results of the subscription of the Rights Shares and the Placing, there is a total of 239,727,064 Untaken Rights Shares, which is less than the maximum number of Untaken Rights Shares that will be taken up by Landmark Worldwide. Therefore, Landmark Worldwide took up all the 239,727,064 Untaken Rights Shares in accordance with the terms of the Underwriting Agreement and Zhong Jia Securities was not required to take up any Untaken Rights Shares.

The gross proceeds raised from the Rights Issue (including the Placing) before the Set Off were approximately HK\$60.4 million and the net proceeds from the Rights Issue after deducting the expenses and after the Set Off were approximately HK\$25.1 million. As disclosed in the Prospectus, the Company intends to apply the net proceeds from the Rights Issue as to (i) approximately HK\$7.0 million for staff costs of the Group; (ii) approximately HK\$16.0 million for payment to the Group's suppliers; and (iii) approximately HK\$2.1 million as general working capital of the Group.

EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structures of the Company immediately before and after completion of the Rights Issue (the “**Completion**”):

	Immediately before Completion		Immediately after Completion	
	<i>No. of Shares</i>	<i>Approx. percentage %</i>	<i>No. of Shares</i>	<i>Approx. percentage %</i>
Landmark Worldwide (<i>Note 1</i>)	35,712,250	15.74	346,863,814	50.96
E-Growth Resources (<i>Note 2</i>)	7,400,000	3.26	22,200,000	3.26
Mr. Wang (<i>Note 3</i>)	9,653,000	4.25	28,959,000	4.25
Mr. Wang Ah Yu (<i>Note 4</i>)	2,411,000	1.06	7,233,000	1.06
Mr. Wong Ah Yeung (<i>Note 5</i>)	2,982,500	1.32	8,947,500	1.32
Mr. Wang Ya Hua (<i>Note 6</i>)	2,280,500	1.00	6,841,500	1.00
Subtotal for Landmark Worldwide and its concert parties, including E-Growth Resources and the Wong Brothers	60,439,250	26.63	421,044,814	61.85
Public Shareholders	166,476,388	73.37	259,702,100	38.15
Total	226,915,638	100.00	680,746,914	100.00

Notes:

1. Landmark Worldwide is an investment holding company incorporated in the British Virgin Islands with limited liability, the issued share capital of which is beneficially owned as to 25% by each of Mr. Wong Ah Yu, an executive Director, Mr. Wang, a non-executive Director, Mr. Wong Ah Yeung and Mr. Wang Ya Hua. Save for Mr. Wong Ah Yu and Mr. Wang, none of the Directors hold any Shares. Mr. Wang is the sole director of Landmark Worldwide.
2. E-Growth Resources is an investment holding company incorporated in the British Virgin Islands with limited liability, the issued share capital of which is wholly and beneficially owned by Mr. Wang. Under the SFO, Mr. Wang is deemed to be interested in 7,400,000 Shares held by E-Growth Resources. Mr. Wang is the sole director of E-Growth Resources.

3. Mr. Wang is the younger brother of Mr. Wong Ah Yeung, Mr. Wong Ah Yu and Mr. Wang Ya Hua.
4. Mr. Wong Ah Yu is the younger brother of Mr. Wong Ah Yeung and the elder brother of Mr. Wang Ya Hua and Mr. Wang.
5. Mr. Wong Ah Yeung is the elder brother of Mr. Wong Ah Yu, Mr. Wang Ya Hua and Mr. Wang.
6. Mr. Wang Ya Hua is the elder brother of Mr. Wang and the younger brother of Mr. Wong Ah Yeung and Mr. Wong Ah Yu.

DESPATCH OF SHARE CERTIFICATES

The share certificates for the fully-paid Rights Shares are expected to be posted by Tuesday, 22 February 2022 to those entitled thereto by ordinary post at their own risks.

COMMENCEMENT OF DEALINGS IN THE RIGHTS SHARES

Dealings in the fully-paid Rights Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, 23 February 2022.

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

Hong Kong, 21 February 2022

As at the date of this announcement, the executive Directors are Mr. Wong Ming Li, Mr. Wong Ah Yu 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. Wu Kin San Alfred.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.