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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)

PROFIT ALERT

This announcement is made by Tongda Hong Tai Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) 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 the Company wishes to inform the shareholders (the “**Shareholders**”) of the Company and potential investors of the Company that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2023 (the “**Current Year**”) and the information currently available to the Board, it is expected that the Company’s revenue for the Current Year would be between approximately HK\$90,000,000 to approximately HK\$93,000,000, as compared to the revenue of approximately HK\$150,545,000 for the corresponding year in 2022; and the net loss for the Current Year is expected to be between approximately HK\$35,000,000 to approximately HK\$40,000,000 as compared to the net loss of approximately HK\$231,423,000 for the corresponding year in 2022.

The expected decrease in the Group’s revenue and expected decrease in the Group’s net loss was mainly due to the operation restructuring of the Group implemented in last year 2022 was in progress during the Current Year and the Group reassessed the projects to improve the operating cashflow and therefore less sales orders received. Also, the Group’s sales orders and production yield were negatively impacted by external unfavorable challenges including the global inflation surge, the increase in staff costs, the continual fluctuation of material prices due to the instability of supply chain, the shortage in the supply of semiconductors, and the continuing increase in competition in the market which all put pressure to the sales order of the Group. The expected decrease in the Group’s net loss was benefited by the successful implementation of the aforesaid undergoing operation restructuring of the Group.

As at the date of this announcement, the Company is still in the process of finalising the Group's annual results for the Current Year. The information contained in this announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group with reference to the information currently available to the Board which may be subject to amendments or adjustments, and have not been reviewed or confirmed by the Company's auditors or the audit committee of the Company. The actual results of the Group for the Current Year may be different from the information disclosed in this announcement. Further details of the Group's performance will be disclosed in the annual results announcement of the Company, which is expected to be published on or before 28 March 2024.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Tongda Hong Tai Holdings Limited
Lee King On Jeff
Executive Director

Hong Kong, 20 March 2024

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; and the independent non-executive Directors are Mr. Chan Shiu Man, Mr. Wan, Aaron Chi Keung and Mr. Chan Luk On.