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(Stock Code: 322)

CONTINUING CONNECTED TRANSACTIONS

The Board announces that on 18 October 2005, the Company entered into the Hymall Agreement and the Family Mart Agreement. Pursuant to the Hymall Agreement and the Family Mart Agreement, the Group will supply the Group's instant food and beverage products to Hymall and Family Mart, respectively. Each of Hymall and Family Mart is an associate of Ting Hsin, which is a substantial shareholder of the Company. Accordingly, the Hymall Transactions and the Family Mart Transactions constitute continuing connected transactions of the Company under the Listing Rules.

As the annual transactional amount for the Hymall Transactions for each of the percentage ratios (other than the profit ratio) is less than 2.5% and the annual transactional amount for the Family Mart Transactions for each of the percentage ratios (other than the profits ratio) is less than 2.5% in respect of that financial year, the Hymall Transactions and the Family Mart Transactions are only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 and are exempt from the independent shareholders' approval requirement of Chapter 14A of the Listing Rules.

THE HYMALL TRANSACTIONS

Hymall is owned as to 100% by Ting Cao. Ting Cao is 50% owned by Ting Hsin, which is a substantial shareholder of the Company that is interested in approximately 33.2% of the issued share capital of the Company as at the date of this announcement. Accordingly, Hymall is an associate of Ting Hsin, a substantial shareholder of the Company, and transactions between Hymall and the Group will constitute connected transactions of the Company under the Listing Rules.

The Hymall Agreement

Date: 18 October 2005

Parties: Ting Cao
the Company

Subject: Pursuant to the Hymall Agreement, the Company will supply Hymall with instant food and beverage products produced by the Group.

Term: The Hymall Agreement has a fixed term commencing from 1 January 2005 for three years ending 31 December 2007.

Price: The basis of determining the prices for the Hymall Transactions will be in accordance with the normal pricing policy for products supplied to third parties not more favourable to Hymall.

Cap amount: The cap for each of the three years ending 31 December 2007 is as follows:

2005	RMB 92,145,000
2006	RMB121,886,000
2007	RMB170,172,000

The annual transactional amount of the Hymall Transactions is expected to be less than 2.5% for each of the percentage ratios (other than the profits ratio) in respect of that financial year and was determined by the sales to Hymall for the first eight months of 2005 in the amount of approximately US\$5,730,000 (equivalent to approximately HK\$44,680,000) and the anticipated growth in demand for the Company's products and sales by Hymall as a result of the planned increase in the number of Hymall outlets by Hymall from 35 hypermarkets as of the date of this announcement to approximately 50 in 2006 and 69 in 2007 and the anticipated market growth in the Company's core products in general.

THE FAMILY MART TRANSACTIONS

Family Mart is 100% owned by China CVS since July 2005. China CVS is held as to 50.5% by Ting Hsin. Accordingly, China CVS is an associate of Ting Hsin, a substantial shareholder of the Company, and transactions between Family Mart and the Group will constitute connected transactions for the Company under the Listing Rules.

The Family Mart Agreement

Date: 18 October 2005

Parties: China CVS
the Company

Subject: Pursuant to the Family Mart Agreement, the Company will supply Family Mart with instant food and beverage products produced by the Group.

Term: The Family Mart Agreement has a fixed term commencing from 1 January 2005 for three years ending 31 December 2007.

Price: The basis of determining the prices for the Family Mart Transactions will be in accordance with the normal pricing policy for products supplied to third parties not more favourable to Family Mart.

Cap amount: The cap for each of the three years ending 31 December 2007 is as follows:

2005	RMB 8,660,000
2006	RMB16,470,000
2007	RMB21,780,000

The annual transactional amount of the Family Mart Transactions is expected to be less than 2.5% for each of the percentage ratios (other than the profits ratio) in respect of that financial year and was determined by the sales to Family Mart for the first eight months of 2005 in the amount of approximately US\$392,112 (equivalent to approximately HK\$3,060,000) and the anticipated growth in demand for the Company's products and sales by Family Mart as a result of the planned increase in the number of Family Mart outlets by Family Mart from 85 as at the date of this announcement to approximately 250 in 2006 and 400 in 2007 and the anticipated market growth in the Company's core products in general. The higher percentage increase for the annual cap of the Company's sales to Family Mart when compared with the sales to Hymall is attributable to the lower costs of establishing the Family Mart convenient stores and the fact that Family Mart is currently only active in Shanghai and has more potential for geographical expansion.

REASONS FOR THE CONTINUING CONNECTED TRANSACTIONS

The Company is principally engaged in the manufacture, distribution and sale of instant noodles, bakery products and beverages in the PRC. Hymall operates a chain of 35 hypermarkets in various parts of the PRC and Family Mart operates a chain of 85 convenient stores in the PRC. As the Hymall Transactions and the Family Mart Transactions are entered into under normal commercial terms and on terms no less favourable than with other parties, the Directors (including the independent non-executive Directors) consider that the Hymall Transactions and the Family Mart Transactions are of the type entered into in the ordinary and usual course of business of Group. Save for the shareholding of Ting Hsin in each of Ting Cao and China CVS, which are the holding companies of Hymall and Family Mart, respectively, Hymall and Family Mart are not related to each other in any other way. The Directors (including the independent non-executive Directors) are therefore of the view that the entering into the Hymall Agreement and the Family Mart Agreement will be fair and reasonable and to the interest of the shareholders of the Company and the Company as a whole.

GENERAL

Each of Hymall and Family Mart is an associate of Ting Hsin, which is a substantial shareholder of the Company. Accordingly, the Hymall Transactions and the Family Mart Transactions constitute continuing connected transactions of the Company under the Listing Rules.

As the annual transactional amounts for the Hymall Transactions for each of the percentage ratios (other than the profit ratio) is less than 2.5% and the annual transactional amount for the Family Mart Transactions for each of the percentage ratios (other than the profit ratio)

is less than 2.5%, the Hymall Transactions and the Family Mart Transactions are only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 and are exempt from the independent shareholders' approval requirement of Chapter 14A of the Listing Rules.

The Company will comply with the relevant provisions under Chapter 14A of the Listing Rules governing connected transactions in the event that the total amount of any of the Hymall Transactions or the Family Mart Transactions exceeds 2.5% for each of the percentage ratios (other than the profit ratio), or that there is any material amendment to their terms.

As at the date of this announcement, Mr. Wei Ing-Chou, Mr. Takeshi Ida, Mr. Ryo Yoshizawa, Mr. Wei Ying-Chiao, Mr. Wu Chung-yi and Mr. Jun-Ichiro Ida are executive Directors. Mr. Tomoyuki Nakayama, Mr. Hsu Shin-Chun and Mr. Lee Tiong-Hock are independent non-executive Directors.

DEFINITIONS

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

“associate”	has the same meaning as given to it under the Listing Rules
“Board”	the board of Directors
“China CVS”	China CVS (Cayman Islands) Holding Corp., a company incorporated in the Cayman Islands, the principal activity of which is investing holding and is 50.5% owned by Ting Hsin
“Company”	Tingyi (Cayman Islands) Holding Corp., a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the same meaning as given to it under the Listing Rules
“Director(s)”	The director(s) of the Company
“Family Mart”	a chain of convenience stores operated by China CVS
“Family Mart Agreement”	the agreement dated 18 October 2005 between China CVS and the Company
“Family Mart Transactions”	the supply of instant food and beverage products of the Group to Family Mart pursuant to the terms of the Family Mart Agreement

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hymall”	a chain of hypermarkets operated by Ting Cao
“Hymall Agreement”	the agreement dated 18 October 2005 between Ting Cao and the Company
“Hymall Transactions”	the supply of the Group’s instant food and beverage products of the Group to Hymall pursuant to the terms of the Hymall Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the same meaning ascribed to it under the Listing Rules
“Ting Cao”	Ting Cao (C. I.) Holding Corp., a company incorporated in the Cayman Islands, the principal activity of which is investing holding and is 50% owned by Ting Hsin
“Ting Hsin”	Ting Hsin (Cayman Islands) Holding Corp., a company incorporated in the Cayman Islands and is a substantial shareholder of the Company that is interested in approximately 33.2% of the issued share capital of the Company
“%”	per cent.

By order of the Board
TINGYI (CAYMAN ISLANDS) HOLDING CORP.
Wei, Ing-Chou
Chairman

Hong Kong, 18 October 2005

** For identification purposes only*

Website: <http://www.masterkong.com.cn>
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