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ANNOUNCEMENT

DISCLOSEABLE AND CONNECTED TRANSACTION

GRANT OF WAIVERS IN RELATION TO TRANSFER OF APPROXIMATELY 9.999% INTEREST IN TINGYI-ASAHI-ITOCHU BEVERAGES HOLDING CO. LTD.

Reference is made to the announcement of the Company dated 20 November 2008 whereby the Company has been informed by AIB that AIB and Ting Hsin were negotiating about the proposed sale and purchase of approximately 9.999% interest in TAI. The Board would like to announce that on 23 November 2008, AIB (as vendor), Ting Hsin (as purchaser) and Itochu entered into the Agreement, pursuant to which AIB agreed to sell and Ting Hsin agreed to purchase the Sale Shares at a consideration of US\$280,000,000 (approximately HK\$2,184,000,000) conditional upon, among others, the Independent Shareholders approving the grant of the Waivers by Master Kong Beverages, a wholly-owned subsidiary of the Company.

The grant of the Waivers by Master Kong Beverages in favour of Ting Hsin constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Given Ting Hsin holds an approximately 36.60% shareholding interest in the Company and hence a connected person of the Company, the grant of the Waivers by Master Kong Beverages in favour of Ting Hsin also constitutes a connected transaction of the Company under Rule 14A.13 of the Listing Rules. As the applicable percentage ratios as defined in the Listing Rules exceed 2.5%, the grant of the Waivers by Master Kong Beverages in favour of Ting Hsin is subject to the reporting, announcement and independent shareholders' approval requirements under Rule 14A.48 of the Listing Rules.

Given that Ting Hsin has an interest in the Agreement and the Waivers that is different from that of the Independent Shareholders, Ting Hsin and its associates will abstain from voting on the resolution to approve the Waivers. To the best knowledge and belief of the Directors having made all reasonable enquiries, no other Shareholders have any interest in the Waivers which are required to abstain from voting at the EGM.

A circular containing further details of the Waivers, the letter from the independent board committee of the Company giving its recommendations to the Independent Shareholders relating to the Waivers, the letter from the independent financial adviser containing its advice to the independent board committee of the Company and the Independent Shareholders relating to the Waivers, a notice of the EGM and other information as required under the Listing Rules will be despatched to the Shareholders as soon as practicable.

Reference is made to the announcement of the Company dated 2 January 2004, the circular of the Company dated 26 January 2004 and the announcement of the Company dated 21 April 2004 in relation to the strategic partnership between the Company, Asahi and Itochu in the beverages business in the PRC through the establishment of TAI. As at the date of this announcement, TAI is owned as to approximately 50.005% by Master Kong Beverages, a wholly-owned subsidiary of the Company, and as to approximately 49.995% by AIB.

TRANSFER OF SALE SHARES IN TAI

(A) Grant of Waivers

Reference is also made to the announcement of the Company dated 20 November 2008 whereby the Company has been informed by AIB that AIB and Ting Hsin were negotiating about the proposed sale and purchase of approximately 9.999% interest in TAI. The Board would like to announce that on 23 November 2008, AIB (as vendor), Ting Hsin (as purchaser) and Itochu entered into the Agreement, pursuant to which AIB agreed to sell and Ting Hsin agreed to purchase the Sale Shares at a consideration of US\$280,000,000 (approximately HK\$2,184,000,000). Neither Master Kong Beverages nor the Company is a party to the Agreement.

Under the Existing Shareholders' Agreement, Master Kong Beverages is granted the Pre-emptive Right and the Tag-along Right in respect of the transfer of shares of TAI by AIB to a third party. As such, before AIB could sell the Sale Shares to Ting Hsin, it has to obtain the Waivers from Master Kong Beverages.

Completion is conditional upon, among others, the Independent Shareholders approving the grant by Master Kong Beverages of the Waivers in favour of Ting Hsin, so that AIB will be released from the Pre-emptive Right and the Tag-along Right and be able to transfer the Sale Shares to Ting Hsin pursuant to the terms and conditions of the Agreement.

(B) Execution of the Amended and Restated Shareholders' Agreement

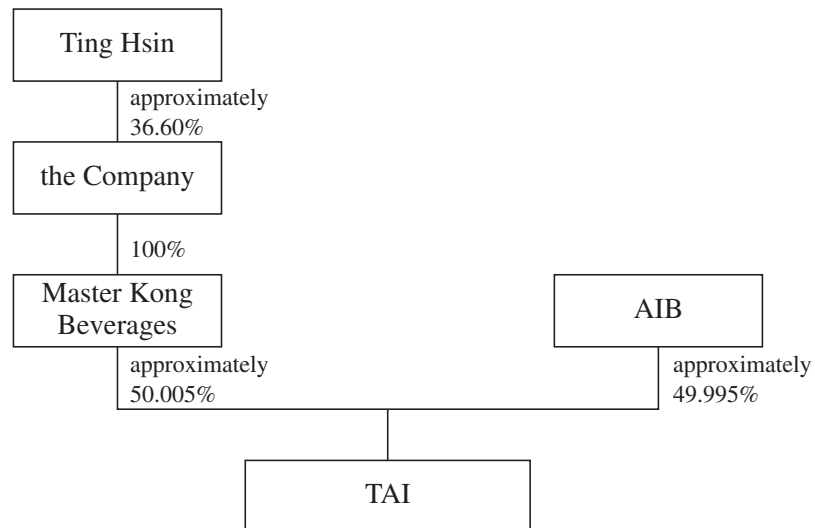
With the proposed introduction of Ting Hsin as a shareholder in TAI upon completion of the Agreement, Master Kong Beverages (as shareholder), AIB (as shareholder), Ting Hsin (as shareholder), TAI, the Company (as the guarantor of Master Kong Beverages) and Asahi (as the guarantor of AIB) will enter into the Amended and Restated Shareholders' Agreement to replace the Existing Shareholders' Agreement in order to facilitate the operation, financing and management of TAI.

The maximum number of directors in the board of directors of TAI will continue to be eight. Master Kong Beverages, AIB and Ting Hsin will have the right to nominate four, three and one director(s), respectively. Master Kong Beverages will be entitled to nominate the chairman of the board of directors and the chief executive officer of TAI. AIB will be entitled to nominate the vice-chairman of the board of directors and the chief financial officer of TAI. Except for certain reserved board matters, the chairman of the board of directors of TAI will have a casting vote in the case of equal votes. TAI will continue to be treated as a subsidiary of the Company and its results will continue to be consolidated with the financial results of the Company upon Completion.

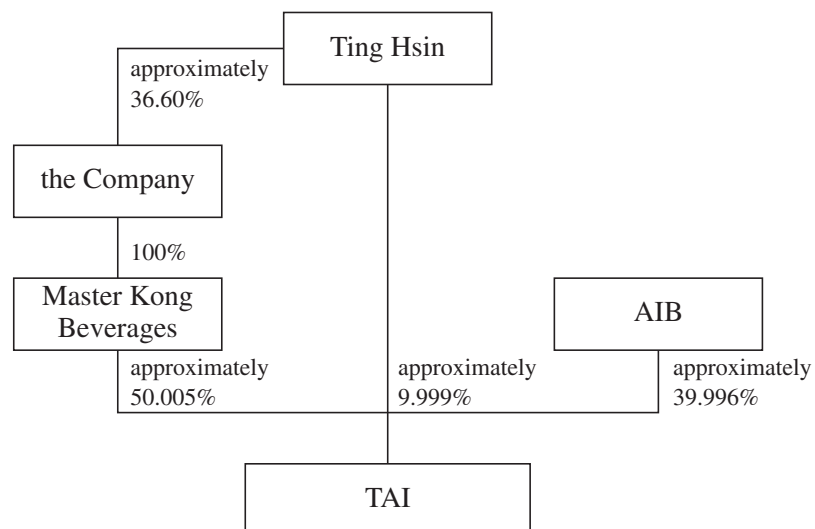
SHAREHOLDING STRUCTURE

The following charts show the shareholding structure of TAI before and after Completion:

(a) Before Completion



(b) After Completion



INFORMATION ON TAI

TAI is a company incorporated in the Cayman Islands. TAI and its subsidiaries are principally engaged in the research and development, production, marketing, sale and distribution of beverages products and such other businesses in the PRC.

Based on the audited consolidated financial statements of TAI for the year ended 31 December 2006, 31 December 2007 and the unaudited consolidated financial statements of TAI for the six months ended 30 June 2008 prepared based on HKGAAP, its consolidated net profit before taxation, minority interest and extraordinary items amounted to approximately US\$127.843 million, US\$168.535 million and US\$156.353 million, respectively, and its consolidated net profit after taxation, minority interest and extraordinary items amounted to approximately US\$128.434 million, US\$171.100 million and US\$123.804 million, respectively.

Based on the audited consolidated financial statements of TAI for the year ended 31 December 2006, 31 December 2007 and the unaudited consolidated financial statements of TAI for the six months ended 30 June 2008 prepared based on HKGAAP, its consolidated net asset value as at 31 December 2006, 31 December 2007 and 30 June 2008 amounted to approximately US\$344.671 million, US\$484.184 million and US\$642.425 million, respectively.

INFORMATION ON THE PARTIES

Master Kong Beverages was incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of the Company. It holds approximately 50.005% in TAI as at the date of this announcement.

AIB was incorporated in Japan with limited liability and, as at the date of this announcement, is held as to 80% by Asahi and as to 20% by Itochu. It holds approximately 49.995% in TAI as at the date of this announcement.

Asahi is a leading Japanese manufacturer of alcoholic beverages and soft drinks. Its product portfolio ranges from tea-based beverages, such as Asahi Juroku-Cha and canned coffee Wonda, to soft drinks, such as Mitsuya Cider and Bireley's. The securities of Asahi are listed on the Tokyo Stock Exchange.

Itochu is one of the leading trading companies in Japan with offices in over 80 countries and operations that cover a broad spectrum of industries. The securities of Itochu are listed on the Tokyo Stock Exchange.

Ting Hsin is an investment holding company. It is a substantial shareholder of the Company and holds an approximately 36.60% shareholding interest in the Company as at the date of this announcement.

REASONS AND BENEFITS FOR THE GRANT OF WAIVERS

The Group is principally engaged in the manufacture, distribution and sale of instant noodles, beverages and bakery products.

The Directors are of the view that as Master Kong Beverages owns approximately 50.005% in TAI, TAI has already been treated as a subsidiary of the Company and its results are consolidated with the financial results of the Company. Therefore, the acquisition of a further approximately 9.999% interest in TAI at a consideration of US\$280,000,000 (approximately HK\$2,184,000,000) by way of the exercise of the Pre-emptive Right would not change its controlling position in TAI. Under the current financial market situation, the Company has resorted to maintain its strong cash flow and low gearing ratio position. The Company will continue to review its business and strive to maintain the leading position of its products in the PRC market with sustained and steady growth in its results. Meanwhile, if the Company were to exercise the Tag-along Right and dispose its shares in TAI, it would not be able to consolidate the results of TAI. In view of the above, the Directors consider that it would not be in the best interests of the Company and the Shareholders as a whole to exercise the Pre-emptive Right and the Tag-along Right at this point of time.

The Directors believe that the grant of the Waivers is made on an arm's length basis and on normal commercial terms, and is made in the ordinary and usual course of business of the Group and are fair and reasonable and in the interest of the Shareholders as a whole.

GENERAL

The grant of the Waivers by Master Kong Beverages in favour of Ting Hsin constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Given Ting Hsin holds an approximately 36.60% shareholding interest in the Company and hence a connected person of the Company, the grant of the Waivers by Master Kong Beverages in favour of Ting Hsin also constitutes a connected transaction of the Company under Rule 14A.13 of the Listing Rules. As the applicable percentage ratios as defined in the Listing Rules exceed 2.5%, the grant of the Waivers by Master Kong Beverages in favour of Ting Hsin is subject to the reporting, announcement and Independent Shareholders' approval requirements under Rule 14A.48 of the Listing Rules.

Given that Ting Hsin has an interest in the Agreement and the Waivers that is different from that of the Independent Shareholders, Ting Hsin and its associates will abstain from voting on the resolution to approve the Waivers. To the best knowledge and belief of the Directors having made all reasonable enquiries, no other Shareholders have any interest in the Waivers which are required to abstain from voting at the EGM.

A circular containing further details of the Waivers, the letter from the independent board committee of the Company giving its recommendations to the Independent Shareholders relating to the Waivers, the letter from the independent financial adviser containing its advice to the independent board committee and the Independent Shareholders relating to the Waivers, a notice of the EGM and other information as required under the Listing Rules will be dispatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“Agreement”	the share purchase agreement dated 23 November 2008 entered into between AIB (as vendor), Ting Hsin (as purchaser) and Itochu in respect of the Sale Shares;
“AIB”	AI Beverage Holding Co., Ltd. (formerly known as A-I China Breweries Co., Ltd.), a company incorporated in Japan with limited liability and, as at the date of this announcement, held as to 80% by Asahi and as to 20% by Itochu, and immediately following Completion AIB will be wholly owned by Asahi as a result of share buyback by AIB from Itochu;
“Amended and Restated Shareholders’ Agreement”	the amended and restated shareholders’ agreement to be entered into between Master Kong Beverages, AIB, Ting Hsin, TAI, the Company, Asahi and Itochu simultaneously upon Completion;
“Asahi”	Asahi Breweries, Ltd., a company incorporated in Japan with limited liability, the securities of which are listed on the Tokyo Stock Exchange;
“associate”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Company”	Tingyi (Cayman Islands) Holding Corp., a company incorporated in the Cayman Islands, the shares of which are currently listed on the Main Board of the Stock Exchange;
“Completion”	completion of the Agreement;
“Director(s)”	the director(s) of the Company;

“EGM”	an extraordinary general meeting to be convened by the Company for the purpose of approving the Waivers;
“Existing Shareholders’ Agreement”	the shareholders’ agreement dated 31 March 2004 entered into between Master Kong Beverages, AIB, TAI, the Company, Asahi and Itochu with respect to the management of TAI;
“First Waiver”	the waiver of the Pre-emptive Right by Master Kong Beverages;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Shareholders”	the Shareholders other than Ting Hsin and its associates;
“Itochu”	Itochu Corporation, a company incorporated in Japan, the securities of which are listed on the Tokyo Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Master Kong Beverages”	Master Kong Beverages (BVI) Co., Ltd, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary the Company, holding approximately 50.005% of the issued share capital of TAI as at the date of this announcement;
“PRC”	the People’s Republic of China;
“Pre-emptive Right”	the pre-emptive right granted to Master Kong Beverages under the Existing Shareholders’ Agreement, pursuant to which Master Kong Beverages is entitled to acquire or procure its wholly-owned subsidiary to acquire shares in TAI in the event that AIB proposes to transfer such shares to a third party;
“Sale Shares”	1,000 shares of US\$1.00 each in the issued share capital of TAI, representing approximately 9.999% of the entire issued share capital of TAI;
“Second Waiver”	the waiver of the Tag-along Right by Master Kong Beverages;

“Shareholders”	holders of the Shares;
“Shares”	shares of US\$0.005 each in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules;
“Tag-along Right”	the tag-along right granted to Master Kong Beverages under the Existing Shareholders’ Agreement, pursuant to which in the event that AIB proposes to transfer such shares to a third-party purchaser, AIB is obliged to ensure that the third-party purchaser offers to buy from Master Kong Beverages such number of shares in TAI equal to the number of the Sale Shares multiplied by a percentage representing the shareholding interest of Master Kong Beverages in TAI (being approximately 50.005% as at the date of this announcement) on the same terms that AIB offers to the third-party purchaser;
“TAI”	Tingyi-Asahi-Itochu Beverages Holding Co. Ltd. (which will be renamed as Tingyi-Asahi-Tinghsin Beverages Holding Co. Ltd. upon Completion), a company incorporated in the Cayman Islands with limited liability and an indirect subsidiary of the Company, which is owned as to approximately 50.005% by Master Kong Beverages and approximately 49.995% by AIB;
“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 36.60% shareholding interest in the Company
“Waivers”	the First Waiver and the Second Waiver;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong; and
“US\$”	United States dollar, the lawful currency of the United States of America.

In this announcement, the exchange rate of HK\$7.8 to US\$1.00 is used. Such exchange rate will not be construed as a representation that amount in US\$ was or may have been converted into HK\$ using such exchange rate or any other exchange rate or at all.

By Order of the Board
Tingyi (Cayman Islands) Holding Corp.
Wei Ing-Chou
Chairman

Date: 24 November 2008

** For identification purpose only*

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. Junichiro Ida are Executive Directors of the Company. Mr. Hsu Shin-Chun, Mr. Lee Tiong-Hock and Mr. Michio Kuwahara are Independent Non-executive Directors of the Company.