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CONNECTED TRANSACTION

The Board announces that on April 9, 2012, the Subsidiary, Calbee and Itochu entered into the Joint Venture Agreement for the establishment of the Joint Venture to engage in the manufacturing and sale of snack food products.

As Itochu is a substantial shareholder in Tingtong, a non wholly-owned subsidiary of the Company, the establishment of the Joint Venture constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the applicable ratios in respect of the capital committed to the establishment of the Joint Venture are more than 0.1% but less than 5%, the establishment of the Joint Venture is subject to the reporting and announcement requirements and exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

The Board announces that on April 9, 2012, the Subsidiary, Calbee and Itochu entered into the Joint Venture Agreement for the establishment of the Joint Venture to engage in the manufacturing and sale of snack food products.

THE JOINT VENTURE AGREEMENT

Date: April 9, 2012

Parties to the Joint Venture Agreement:

- (1) Master Kong Instant Foods Investment (China) Co., Ltd., a wholly-owned subsidiary of the Company. It is principally engaged in the investment in instant food.
- (2) Calbee Inc., a company incorporated in Japan. It is principally engaged in the manufacturing and sale of snack food and other food products. To the best knowledge and belief of the Directors, after all reasonable enquiry, Calbee and its ultimate beneficial owners are independent of the Company and its connected persons.
- (3) Itochu Corporation, a company incorporated in Japan. It is a leading Japanese large-scale conglomerate. It is a substantial shareholder of Tingtong, a non wholly-owned subsidiary of the Company, and is a connected person of the Company.

Establishment of the Joint Venture

The Subsidiary, Calbee and Itochu have entered into the Joint Venture Agreement for the establishment of the Joint Venture to engage in the manufacturing and sale of snack food products.

It is expected that the Joint Venture will be established in July 2012 and investment in the products to be launched to the market will be made in 2012.

Registered capital of the Joint Venture

Pursuant to the terms of the Joint Venture Agreement, the registered capital of the Joint Venture is US\$20 million (equivalent to approximately HK\$155.35 million). The registered capital of the Joint Venture will be held as to 45% by the Subsidiary, as to 51% by Calbee, and as to 4% by Itochu. The registered capital was determined after arm's length negotiations between the parties and is based on the funding requirements to make the Joint Venture operational. The registered capital will be used for the procurement of manufacturing equipment, working capital and product development. The capital contribution of the Subsidiary in the amount of US\$9 million to the registered capital of the Joint Venture will be satisfied by the internal resources of the Group.

Board of directors of the Joint Venture

The board of directors of the Joint Venture will comprise of 6 directors. The Subsidiary will have the right to appoint 3 directors and Calbee will have the right to appoint 3 directors. The Joint Venture will be accounted for as an associate of the Company.

REASONS FOR THE TRANSACTION

Calbee is a company established in Japan and its shares are listed on the Tokyo Stock Exchange. Calbee is principally engaged in the manufacturing and sale of snack food and other food products. Itochu is a leading large-scale Japanese conglomerate with offices in more than 80 countries and is involved in a wide range of businesses. Itochu is also involved in the development of up-stream agricultural resources in the PRC for the supply of reliable and safe food resources. It is expected that through its investee companies, it will be able to supply potatoes and other raw materials to the Group.

The Company is principally engaged in the production and sale of instant noodles, baked goods and beverages in the PRC. The Joint Venture will further strengthen the snack food business of the Group in the PRC. Pursuant to the Joint Venture Agreement, it is expected that the Company will be able to leverage on the technology and know-how of Calbee and its experience in the production and sales of snack food products and the trading experience of Itochu to produce and distribute an even more diversified range of snack food products in the PRC. The Directors (including the independent non-executive Directors) consider that the establishment of the Joint Venture with Calbee and Itochu is in the ordinary and normal course of business of the Company, under normal commercial terms, and is fair and reasonable and in the interests of the Company and its shareholders as a whole.

GENERAL

Itochu is a substantial shareholder of Tingtong, a non wholly-owned subsidiary of the Company. Accordingly, the establishment of the Joint Venture constitutes a connected transaction of the Company for the purpose of the Listing Rules.

As the applicable ratios in respect of the capital committed to the establishment of the Joint Venture Acquisition are more than 0.1% but less than 5%, the establishment of the Joint Venture is subject to the reporting and announcement requirements and exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

As none of the Directors is interested in the transaction described herein, no Director is required to abstain from voting for the Board resolution to approve the establishment of the Joint Venture.

DEFINITIONS

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

“associate”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of directors of the Company;
“Calbee”	Calbee Inc., a company incorporated in Japan, the shares of which are listed on the Tokyo Stock Exchange;
“Company”	Tingyi (Cayman Islands) Holding Corp., a company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Itochu”	Itochu Corporation, a substantial shareholder of Tingtong, a non wholly-owned subsidiary of the Company;
“Joint Venture Agreement”	the agreement dated April 9, 2012;
“Joint Venture”	the joint venture enterprise to be established pursuant to the Joint Venture Agreement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	Master Kong Instant Foods Investment (China) Co., Ltd., an indirect wholly-owned subsidiary of the Company;
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules;
“Tingtong”	Tingtong (Cayman Islands) Holding Corp., a 50.01% indirectly owned subsidiary of the Group which is principally engaged in the provision of logistics services; and
“US\$”	United States dollar, the lawful currency of the United States of America.

By order of the Board of
Tingyi (Cayman Islands) Holding Corp.
WEI, Ing Chou
Chairman

Tianjin, the PRC, April 9, 2012

In this announcement, an exchange rate of US\$1.00 to HK\$7.7676 is used for illustration purpose only.

As at the date of this announcement, Mr. Wei Ing-Chou, Mr. Takeshi Ida, Mr. Ryo Yoshizawa, Mr. Wu Chung-Yi, Mr. Wei Ying-Chiao and Mr. Junichiro Ida are executive directors of the Company. Mr. Hsu Shin-Chun, Mr. Lee Tiong-Hock and Mr. Hiromu Fukada are independent non-executive directors of the Company.

Website: <http://www.masterkong.com.cn>
<http://www.irasia.com/listco/hk/tingyi>

** For identification purposes only.*