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## **EXEMPTED CONNECTED TRANSACTION**

On 26 June 2013, the Company, through the Subsidiaries, sold the Sale Shares to Ting Hsin on the open market of the Taiwan Stock Exchange for an aggregate consideration of NT\$ 1,388,209,850 (approximately US\$ 46,119,929).

Ting Hsin is interested in approximately 33.2% of the issued share capital of the Company as at the date of this announcement. It is therefore a substantial shareholder and a connected person of the Company. Accordingly, the Disposal constitutes a connected transaction for the Company. As the applicable percentages for the Disposal are over 0.1% but less than 5%, the Disposal is subject to the reporting and announcement requirements and exempt from the independent shareholders' approval requirement under Rule 14A.32 of the Listing Rules.

### **THE DISPOSAL**

**Date:** 26 June 2013

#### **Parties to the Disposal:**

- (1) The Subsidiaries, all are investment holding companies wholly-owned by the Company;
- (2) Ting Hsin, which is an investment holding company.

## Subject matter

The Company, through the Subsidiaries, sold, and Ting Hsin bought the Sale Shares on the open market of the Taiwan Stock Exchange. The Sale Shares represented approximately 5.55% of the issued share capital in Weichuan as at the date of the Disposal. Prior to the Disposal, the Subsidiaries were interested in an aggregate of 28,073,000 shares in Weichuan, representing approximately 5.55% of the issued share capital in Weichuan as at the date of the Disposal. After completion of the Disposal, the Group will no longer be interested in any shares in Weichuan.

Weichuan is a Taiwan-based manufacturer of Chinese condiments, canned foods, dairy products, drinks and refrigerated goods. The shares of Weichuan are listed on the Taiwan Stock Exchange.

According to the published accounts of Weichuan, the net asset value of Weichuan as at 31 March 2013 was approximately NT\$11,128.1 million (approximate US\$369.7 million). The before and after tax profit and loss accounts of Weichuan for the two years ended 31 December 2011 and 2012 were as follows:

	Year ended 31 December 2011		Year ended 31 December 2012	
	NT\$ million	US\$ <i>approximate</i> million	NT\$ million	US\$ <i>approximate</i> million
Profit before tax	767.2	25.5	1,022.0	34.0
Profit after tax	552.9	18.4	580.1	19.3

## Consideration

The consideration for the Disposal is NT\$1,388,209,850 (approximately US\$46,119,929). The consideration was determined at the open market price on the Taiwan Stock Exchange.

The consideration will be payable by Ting Hsin in cash at completion. Completion will take place on 28 June 2013.

Subject to audit, it is expected that the Group will realise a gain on the transaction of approximately US\$14.4 million. The Directors currently intend to apply the proceeds in connection with the Disposal as general working capital of the Company and other expenditure.

## **REASON FOR THE DISPOSAL**

The Group specializes in the production and distribution of instant noodles, beverages and baked goods in the PRC, which is different from Weichuan's main operation. In order to focus on the Company's core business and to decrease the investment in financial assets gradually, and in view of the current market price of Weichuan's stock, the Disposal represents a good opportunity for the Company to realize its gain from its investment in Weichuan.

The Directors, including the independent non-executive Directors, are of the view that given the consideration for the Disposal was based on the prices of the shares in Weichuan traded on the Taiwan Stock Exchange, the Disposal was concluded under normal commercial terms, and was fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **GENERAL**

Ting Hsin is interested in approximately 33.2% of the issued share capital of the Company as at the date of this announcement. It is therefore a substantial shareholder and a connected person of the Company. Accordingly, the Disposal constitutes a connected transaction for the Company. As the applicable percentages for the Disposal are over 0.1% but less than 5%, the Disposal is subject to the reporting and announcement requirements and exempt from the independent shareholders' approval requirement under Rule 14A.32 of the Listing Rules.

At the Board meeting held to approve the Disposal, Mr. Wei Ing-Chou and Mr. Wei Ying-Chiao, who have beneficially interests in Ting Hsin, were considered to be interested in the Disposal and have abstained from voting in respect of the resolution proposed to approve the Disposal.

## **DEFINITIONS**

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

“Board”	the board of directors of the Company;
“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 meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Disposal”	the sale of the Sale Shares by the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“NT\$”	New Taiwan dollar, the lawful currency of Taiwan;
“PRC”	the People’s Republic of China and for the purpose of this announcement, exclude Hong Kong, Taiwan and the Macau Special Administrative Region of the People’s Republic of China;
“Sale Shares”	28,073,000 shares in the issued share capital of Weichuan;
“Shareholder(s)”	shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiaries”	康遠股份有限公司 (Kon Yuan Corporation*), 康權股份有限公司 (Kon Chuan Corporation*) and 康俊股份有限公司 (Kon Jun Corporation*), each of which is an investment holding company incorporated in Taiwan and wholly-owned by the Company;
“Ting Hsin”	Ting Hsin (Cayman Islands) Holding Corp., a company incorporated in the Cayman Islands, a substantial shareholder of the Company;
“US\$”	U.S. Dollar, the lawful currency of the United States of America; and

“Weichuan”

Wei Chuan Foods Corporation (味全食品工業股份有限公司), the shares of which are listed on the Taiwan Stock Exchange.

By order of the Board of  
**Tingyi (Cayman Islands) Holding Corp.**  
**Ip Pui-Sum**  
*Company Secretary*

Tianjin, the PRC, 26 June 2013

*In this announcement, an exchange rate of US\$1.00 to NT\$30.1 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, Mr. Wu Chung-Yi 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 purpose.*