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TONIC INDUSTRIES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 978)

PROPOSED CAPITAL REORGANISATION;

PROPOSED GROUP REORGANISATION AND CREDITOR SCHEME; AND

PROPOSED SUBSCRIPTION OF NEW SHARES AND APPLICATION FOR THE GRANTING OF THE WHITEWASH WAIVER

FURTHER DELAY IN DESPATCH OF CIRCULAR

Reference is made to the joint announcements dated 27 January 2010 and 26 February 2010 made jointly by the Company and Skill China Limited, and the announcement dated 17 February 2010 made by the Company, in respect of, among other things, the Capital Reorganisation, the Group Reorganisation and the Creditor Scheme, the Subscription and the application for the granting of the Whitewash Waiver. The Company has applied to the Executive for a waiver from strict compliance with Rule 8.2 of the Takeovers Code to further extend the date for the despatch of the Circular to a date on or before 30 June 2010.

Reference is made to the joint announcements dated 27 January 2010 (the “Joint Announcement”) and 26 February 2010 made jointly by the Company and Skill China Limited, and the announcement dated 17 February 2010 (the “Delay Announcement”) made by the Company, in respect of, among other things, the proposed capital reorganisation, the proposed group reorganisation and creditor schemes, the proposed subscription of new shares and the application for the granting of the whitewash waiver. Unless otherwise defined, capitalised terms used herein shall have the same meanings as in the Delay Announcement.

Pursuant to Rule 8.2 of the Takeovers Code, the Company is required to despatch the Circular to the Shareholders within 21 days after the date of the Joint Announcement, which is on or before 17 February 2010.

As announced in the Delay Announcement, an application was made to the Executive for a waiver from strict compliance with Rule 8.2 of the Takeovers Code for an extension of time to despatch the Circular to a date on or before 30 April 2010. The waiver was granted by the Executive.

Due to the current financial difficulties and given the limited human resources in the finance department of the Company, and the concurrent heavy workload involved in the preparation of the Circular and the 2010 annual report of the Company, additional time is required for the Company before the Circular can be finalised with the necessary information, in particular, the financial information of the Group as well as the unaudited pro forma financial statements of the Retained Group. Therefore, the Company has applied to the Executive for a waiver from strict compliance with Rule 8.2 of the Takeovers Code to further extend the date for the despatch of the Circular from 30 April 2010 to a date on or before 30 June 2010. A circular containing, among other things, details of the Capital Reorganisation, the Group Reorganisation, the Creditor Scheme, the Subscription Agreement, the Whitewash Waiver, the financial information of the Group, the pro forma financial information of the Retained Group upon Completion, the recommendation of the independent board committee, the advice of the independent financial adviser on the Capital Reorganisation, the Group Reorganisation, the Subscription Agreement and the Whitewash Waiver and a notice convening the EGM together with a form of proxy for use at the EGM, will be despatched to the Shareholders on or before 30 June 2010.

By order of the Board
Tonic Industries Holdings Limited
LING Siu Man, Simon
Chairman & Managing Director

Hong Kong, 30 April 2010

As at the date of this announcement, the Board comprises Mr. Ling Siu Man, Simon, Mr. Wong Ki Cheung and Ms. Li Fung Ching, Catherine as Executive Directors and Mr. Pang Hon Chung, Mr. Cheng Tsang Wai and Dr. Chung Hing Wah, Paul as Independent Non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any such statements in this announcement misleading.