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# TONIC

## TONIC INDUSTRIES HOLDINGS LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 978)**

**PROPOSED CAPITAL REORGANISATION;  
PROPOSED GROUP REORGANISATION AND CREDITOR SCHEME;  
PROPOSED SUBSCRIPTION OF NEW SHARES  
AND  
PROPOSED ISSUE OF REMUNERATION SHARES**

**PROGRESS OF THE CREDITOR SCHEME**

**Financial adviser to  
Tonic Industries Holdings Limited**



Reference is made to the Company's circular dated 28 June 2010 and the joint announcement (the "Announcement") made by the Company and Skill China Limited dated 26 July 2010, both in respect of, among other things, the proposed capital reorganisation, the proposed group reorganisation and creditor scheme, the proposed subscription of new shares, application for the granting of the whitewash waiver and the proposed issue of remuneration shares. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

Further to the Court hearing on 29 July 2010 (Cayman Islands time), the Board is pleased to announce that the Court has granted an order dated 29 July 2010 directing that, inter alia, a meeting of Creditors is to be convened for the purpose of considering and, if thought fit, approving, the Creditor Scheme under the laws of the Cayman Islands. The Court further ordered that the petition regarding the Creditor Scheme and the Capital Reduction be heard on 3 September 2010.

The Board also announces that the High Court of Hong Kong will hear the Company's application to convene a meeting of its Creditors in relation to the Creditor Scheme at 9:30 a.m., 3 August 2010 (Hong Kong time) (the "Hong Kong Court Hearing"). The Company will proceed to hold the Scheme Meeting as soon as practicable after the Hong Kong Court Hearing, if an order is granted permitting the Company to convene a meeting with its Creditors for the purpose of considering and, if thought fit, approving, the Creditor Scheme under the laws of Hong Kong.

The Company will make further announcements if and when there are material developments in relation to the date of the Scheme Meeting and progress of the Creditor Scheme.

As at the date of this announcement, Completion is still subject to certain conditions precedent being fulfilled (or, if applicable, waived). Further announcement(s) will be made to inform Shareholders and potential investors of any further developments as and when appropriate. **Shareholders and potential investors should be aware that the Completion is subject to the satisfaction and/or waiver of the conditions precedent set out in the Subscription Agreement which may or may not be obtained. Shareholders and potential investors are therefore advised to exercise caution when dealing in the securities of the Company.**

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

Hong Kong, 2 August 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 statements in this announcement misleading.*