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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 circular dated 28 June 2010 jointly published by the Company and the Subscriber (the “**Circular**”), the joint announcement made by the Company and the Subscriber dated 26 July 2010 and the announcements of the Company dated 2 August 2010 and 11 August 2010, in respect of, among other things, the proposed capital reorganisation, the proposed group reorganisation and creditor scheme, the proposed subscription of new shares and the proposed issue of remuneration shares. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Circular.

The Board announces that on the afternoon of Friday 27 August, 2010, the Subscriber and the Company have been in discussion for certain possible modifications to the Creditor Scheme, including but not limited to, the Put Option Agreement. As a result, in the meeting this morning, the Chairman announced to adjourn the Scheme Meeting to a date to be fixed.

The Company will through its legal advisers inform the Court and the High Court of Hong Kong about the adjournment. In due course the Company will seek permission from both Courts to convene the adjourned Scheme Meeting to consider, and if thought fit, approve the Creditor Scheme (with or without modifications). The Company will make further announcement(s) if and when there are material developments in relation to the progress of the modifications to the Creditor Scheme, including the details of these modifications to the Creditor Scheme and the date of the adjourned Scheme Meeting.

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 the 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 fulfillment 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, 30 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.*