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TONIC
TONIC INDUSTRIES HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 978)

ANNOUNCEMENT

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited.

The board of directors (“Board”) of Tonic Industries Holdings Limited (the “Company”) wishes to announce that on 11 November 2008, a writ of summons was issued against the Company and its two indirect wholly owned subsidiaries (“Subsidiaries”) in the High Court of Hong Kong by Thomson Hong Kong Holdings Limited (“Thomson”), the former customer of the Subsidiaries, in respect of disputes regarding inter alia, goods returned for refund by Thomson, claiming damages in the sum of US\$4,289,664.15 (approximately HK\$33,244,897.16) together with interest (“Claim”).

The Company and Subsidiaries have sufficient grounds to defend and intend to fight the Claim vigorously.

The Company will make such further announcements when appropriate.

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

Hong Kong, 12 November 2008

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