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Success Well Investments Limited
*(a company incorporated in British Virgin Islands
with limited liability)*

TONIC INDUSTRIES HOLDINGS LIMITED
東力實業控股有限公司*
*(a company incorporated in the Cayman Islands with
limited liability)*
(Stock Code: 978)

JOINT ANNOUNCEMENT

DESPATCH OF COMPOSITE OFFER DOCUMENT RELATING TO UNCONDITIONAL MANDATORY CASH OFFER BY



**FOR AND ON BEHALF OF SUCCESS WELL INVESTMENTS LIMITED
FOR ALL THE ISSUED SHARES
IN TONIC INDUSTRIES HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO
BE ACQUIRED BY SUCCESS WELL INVESTMENTS LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)**

**PROPOSED CHANGE TO BOARD COMPOSITION OF THE COMPANY
AND
CHANGE OF AUTHORISED REPRESENTATIVES**

**Joint Financial Advisers to
Success Well Investments Limited**



**Financial Adviser to
Tonic Industries Holdings Limited**



Reference is made to the joint announcements of Tonic Industries Holdings Limited (the “**Company**”) and Success Well Investments Limited (the “**Offeror**”) dated 27 April 2012 and 7 May 2012 in relation to, among other things, the sale and purchase agreements in relation to the sale and purchase of shares in the Company and the unconditional mandatory cash offer by CITIC Securities Corporate Finance (HK) Limited for and on behalf of the Offeror for all the issued shares in the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) (the “**Offer**”), and the composite offer and response document (the “**Composite Document**”) jointly issued by the Company and the Offeror dated 1 June 2012 in relation to the Offer.

Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

* *for identification purposes only*

DESPATCH OF COMPOSITE DOCUMENT

The Composite Document containing, among other things, (i) the expected timetable in respect of the Offer; (ii) a letter from the Board; (iii) a letter from CITIC Securities; (iv) a letter of recommendation from the Independent Board Committee; and (v) a letter of advice from First Shanghai, the independent financial adviser to the Independent Board Committee, together with the Form of Acceptance, has been despatched to the Shareholders on Friday, 1 June 2012 in accordance with the Takeovers Code.

The Offer will open for acceptance on and from Friday, 1 June 2012 and the latest time and date for acceptance of the Offer is 4:00 p.m. on Friday, 22 June 2012.

EXPECTED TIMETABLE

An expected timetable of the Offer is set out below:

2012

Offer opens for acceptanceFriday, 1 June

Latest time and date for
acceptance of the Offer (*Notes 1 & 3*) 4:00 p.m. on Friday, 22 June

Closing Date (*Note 1*)Friday, 22 June

Joint Announcement of the results of the Offer or as to
whether the Offer has been revised or extended,
on the website of the Stock Exchange (*Note 1*) by 7:00 p.m. on Friday, 22 June

Latest date of posting of remittances in respect of
valid acceptances received on or before the latest time
for acceptance of the Offer (*Note 2*) Wednesday, 4 July

Notes:

1. The latest time for acceptance of the Offer is 4:00 p.m. on Friday, 22 June 2012. The Offer, which is unconditional, will be closed on Friday, 22 June 2012 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror will issue an announcement by 7:00 p.m. Friday, 22 June 2012 as to whether the Offer has been revised, extended or expired. In the event that the Offeror decides to extend the Offer, at least 14 days' notice by way of an announcement will be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer.
2. Payment will be made as soon as possible, but in any event within 7 business days of the date of receipt by the Registrar, from the Shareholders accepting the Offer, of the valid requisite documents. Please refer to the paragraph headed "Settlement" in Appendix I to the Composite Document.
3. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances as set out in paragraph 4 headed "Right of withdrawal" in Appendix I to the Composite Document.

All time and date references contained in this joint announcement refer to Hong Kong time and dates.

RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE

Independent Shareholders are strongly advised to read the Composite Document carefully, including the recommendations from the Independent Board Committee and the advice from First Shanghai, before deciding whether or not to accept the Offer.

IMPORTANT

Independent Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the Shares. The Offeror and the Company remind their respective associates of the dealing restrictions under the Takeovers Code and to disclose their permitted dealings, if any, in any securities of the Company.

PROPOSED CHANGE TO BOARD COMPOSITION OF THE COMPANY

Resignation of Directors and their executive roles

Each of Mr. Mak Bing Kau, Mr. Ng Wai Hung and Mr. Lau Cheuk Lun has tendered his resignation as an executive Director and each of Mr. Pang Hon Chung, Mr. Cheng Tsang Wai and Dr. Chung Hing Wah, Paul has tendered his resignation as independent non-executive Directors, all with effect from the date next following the Closing Day, which is expected to be on 23 June 2012. Dr. So Shu Fai, an executive Director, has been overseeing the business of the Group and will remain as an executive Director.

In addition, (i) Dr. So Shu Fai has resigned from his executive role as the chairman of the Company; (ii) Dr. So Shu Fai, Mr. Mak Bing Kau, Mr. Ng Wai Hung and Mr. Lau Cheuk Lun have resigned as members of the executive committee of the Company; (iii) Mr. Pang Hon Chung, Mr. Cheng Tsang Wai and Dr. Chung Hing Wah, Paul have resigned as members of the audit committee of the Company; (iv) Mr. Cheng Tsang Wai, Mr. Pang Hon Chung and Dr. So Shu Fai have resigned as members of the remuneration committee of the Company; and (v) Dr. So Shu Fai, Mr. Pang Hon Chung and Dr. Chung Hing Wah, Paul have resigned as members of the nomination committee of the Company, all with effect from the date next following the Closing Day, which is expected to be on 23 June 2012.

Each of the resigning Directors has confirmed that he has resigned as a result of the Completion. All the resigning Directors have confirmed that there is no disagreement with the Board and there is no matter in relation to their resignation that needs to be brought to the attention of the Shareholders. The Board would like to express its gratitude to all the resigning Directors for their valuable contributions to the Company during their terms of service.

Appointment of Directors

The Board announces that Mr. Huang Peikun, Mr. Liu Zhuogen and Mr. Yu Zhiliang have been appointed as executive Directors, and Ms. Liu Ning has been appointed as non-executive Director and Ms. Chen Yanping, Dr. Wong Wing Kuen, Albert and Dr. Shi Xinping have been appointed as independent non-executive Directors with effect from 2 June 2012.

In addition, Dr. Wong Wing Kuen, Albert as chairman, Dr. Shi Xinping and Ms. Liu Ning have been appointed as members of the audit committee of the Company; Ms. Chen Yanping as chairman, Dr. Wong Wing Kuen, Albert and Mr. Huang Peikun have been appointed as members of the remuneration committee of the Company; and Mr. Huang Peikun as chairman, Dr. Shi Xinping and Ms. Chen Yanping have been appointed as members of the nomination committee of the Company, all with effect from the date next following the Closing Day, which is expected to be on 23 June 2012.

Biographies of the newly appointed Directors

The following are the biographies of each of Mr. Huang Peikun, Mr. Liu Zhuogen, Mr. Yu Zhiliang, Ms. Liu Ning, Ms. Chen Yanping, Dr. Wong Wing Kuen, Albert and Dr. Shi Xinping.

EXECUTIVE DIRECTORS

Mr. Huang Peikun

Mr. Huang Peikun (“**Mr. Huang**”), aged 50, has been serving as the chief financial officer and the director of CMPD since July 2005. Mr. Huang is a chief financial officer of Shenzhen China Merchants Real Estate Co., Ltd.* (深圳招商房地產有限公司) and CMPD. He is also a director of Eureka. Prior to joining CMPD, Mr. Huang worked as a manager of the finance department and a chief accountant at Shenzhen China Merchants Petrol Chemical Co., Ltd.* (深圳招商石化有限公司), a chief accountant at Shenzhen China Merchants Real Estate Co., Ltd.* (深圳招商房地產有限公司) and a chief financial officer and a deputy general manager at China Merchants Landmark (Shenzhen) Co., Ltd.* (深圳市招商創業有限公司). Mr. Huang received a master degree in management from Zhejiang University (浙江大學) and is a Senior Accountant of the PRC.

Mr. Liu Zhuogen

Mr. Liu Zhuogen (“**Mr. Liu**”), aged 49, has been serving as a director of Eureka since 3 September 2009. Prior to joining Eureka, he worked as a deputy general manager at Commercial Property Division of CMPD* (招商地產商業地產中心), an engineer of the Wharf (Holdings) Limited, a project manager at Kenworth Engineering Limited (香港太元堅穩工程公司，現稱“穩堅工程有限公司”), a sales manager at Sanko Technology Limited (香港德萊工程公司) and an engineer at Shekou Industrial Zone of China Merchants Group* (招商局蛇口工業區). Mr. Liu received a bachelor degree in engineering from the South China University of Technology (華南理工大學), a master degree in engineering from University of New South Wales, Australia, an MBA under a distance learning programme jointly offered by

Deakin University and the Association of Professional Engineers, Scientists and Managers, Australia and a master degree in accounting under a distance learning programme from Curtin University of Technology, Australia.

Mr. Yu Zhiliang

Mr. Yu Zhiliang (“**Mr. Yu**”), aged 34, has been serving as a chief financial officer of China Merchants Property (Xiamen) Co. Ltd.* (招商局地產(廈門)有限公司) since 2010. Mr. Yu worked as a director of China Merchants Properties Development Ltd.* (招商局置業有限公司) and he was a director of Wahsheung Finance Ltd.* (華商財務有限公司). He received a bachelor degree in accounting from Xiamen University (廈門大學) and studied an MBA degree in finance at the Chinese University of Hong Kong. Mr. Yu is an accountant of the PRC.

NON-EXECUTIVE DIRECTOR

Ms. Liu Ning

Ms. Liu Ning (“**Ms. Liu**”), aged 44, has been serving as the secretary of the board of directors of CMPD since 2008. Ms. Liu has 14 years’ experience in securities industry. She was appointed as a representative for securities affairs of CMPD in 2001 and a director of secretariat of the board of CMPD in 2004. Ms. Liu is currently an independent director of three companies which are listed on Shenzhen Stock Exchange, including Tianjin Zhonghuan Semiconductor Co., Ltd.* (天津中環半導體股份有限公司) (Stock Code: 002129), Shenzhen Jinxinnong Feed Co., Ltd.* (深圳金新農飼料股份有限公司) (Stock Code: 002548) and Shenzhen Changfang Light Emitting Diode Lighting Co., Ltd.* (深圳市長方半導體照明股份有限公司) (Stock Code: 300301).

Ms. Liu received a bachelor degree in mechanical manufacturing from Central South University of Forestry and Technology (中南林業科技大學). She completed a post-graduate course in Department of Business Administration of Business School of Nankai University (南開大學國際商學院工商管理專業研究生課程) in 2000 and subsequently obtained an MBA from Macau University of Science and Technology. Ms. Liu is a Certified Economist of the PRC.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Ms. Chen Yanping

Ms. Chen Yanping (“**Ms. Chen**”), aged 54, is currently a professor of Architecture and Urban Planning School of Shenzhen University (深圳大學建築與規劃學院). From October 2007 to November 2011, she was an independent director of CMPD. Ms. Chen received both a bachelor degree and a master degree in architecture and urban planning from Tongji University (同濟大學). Ms. Chen has worked at University of California, Los Angeles as a visiting scholar. Ms. Chen is a Certified Metropolitan Planner of the PRC.

Dr. Wong Wing Kuen, Albert

Dr. Wong Wing Kuen, Albert (“**Dr. Wong**”), aged 61, is currently the managing director of Charise Financial Planning Limited, a private professional consulting firm in Hong Kong. He is also serving as an independent non-executive director of APAC Resources Limited, a company listed on the Stock Exchange (Stock Code: 1104), an independent non-executive director of Solargiga Energy Holdings Limited, a company listed on the Stock Exchange (Stock Code: 757) and a non-executive director of Rare Earths Global Limited, a company listed in AIM market of the London Stock Exchange.

Dr. Wong holds a Doctor of Philosophy in Business Administration degree from the Bulacan State University, Republic of the Philippines. Dr. Wong received a bachelor degree in commerce from a joint programme of Shenzhen University (深圳大學) and Clayton University, Missouri, USA. He also received both a bachelor degree and a master degree in business administration from Nottingham Trent University, UK. Dr. Wong is a fellow member of the Institute of Chartered Secretaries and Administrators, a fellow member of the Hong Kong Institute of Chartered Secretaries, a fellow member of the Taxation Institute of Hong Kong, a member of the Hong Kong Securities Institute, a fellow member of Association of International Accountants, a fellow member of Society of Registered Financial Planners, Hong Kong, a member of the Chartered Institute of Arbitrators, an associate member of the Chartered Institute of Bankers in Scotland and a full member of Macau Society of Certified Practising Accountants. Dr. Wong is a Registered Financial Planner of Hong Kong, a certified tax adviser of Hong Kong, a certified accountant of Australia and Ireland and a Registered Financial Planner (level two) of the PRC.

Dr. Shi Xinping

Dr. Shi Xinping (“**Dr. Shi**”), aged 54, is currently the associate professor of Department of Finance and Decision Sciences at the Hong Kong Baptist University. He is also an independent non-executive director of China Technology Development Group Corporation* (中國科技集團), a company listed on Nasdaq (Stock Code: CTDC). From July 2001 to October 2007, he was an independent director of CMPD. Dr. Shi received a bachelor degree from North-western Polytechnic University (Xi’an, the PRC) in 1982, an MBA from Lancaster University, UK in 1990 and a PhD degree from Middlesex University, UK in 1995.

As at the date of this joint announcement, each of Mr. Huang Peikun, Ms. Liu Ning, Mr. Liu Zhuogen, Mr. Yu Zhiliang, Ms. Chen Yanping, Dr. Wong Wing Kuen, Albert and Dr. Shi Xinping confirmed that, save as disclosed above:

- (a) he/she has not entered into any service contract with the Company but has entered into an appointment letter with the Company, terms of which, among others, have a term which continues until terminated by either party by serving to the other party a written notice of not less than three months notice but subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the articles of association of the Company, and the amount of any remuneration to be received by him/her (if any) is to be determined by the remuneration committee of the Company by reference to his/her experience and responsibilities to be undertaken, the Company’s remuneration policy and the prevailing market conditions;

- (b) he/she has not held any position with the Company or any of its subsidiaries and has not been a director in any other listed company in the past three years;
- (c) he/she is not related to any Directors, senior management of the Company, or substantial Shareholders or controlling Shareholders;
- (d) he/she does not have any interests in the Shares within the meaning of Part XV of the SFO; and
- (e) he/she is not aware of other matters that need to be brought to the attention of the Shareholders and there is no information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to take this opportunity to welcome Mr. Huang Peikun, Ms. Liu Ning, Mr. Liu Zhuogen, Mr. Yu Zhiliang, Ms. Chen Yanping, Dr. Wong Wing Kuen, Albert and Dr. Shi Xinping to join the Company.

CHANGE OF AUTHORISED REPRESENTATIVES

The Board also announces that Dr. So Shu Fai and Mr. Lau Cheuk Lun have resigned from the positions of authorised representatives of the Company with the Stock Exchange with effect from 2 June 2012.

Mr. Liu Zhuogen and Mr. Yu Zhiliang have been appointed as the authorised representative of the Company with effect from 2 June 2012.

By Order of the board of directors of
Success Well Investments Limited
Huang Peikun
Director

By Order of the Board
Tonic Industries Holdings Limited
Dr. So Shu Fai
Chairman

Hong Kong, 1 June 2012

As at the date of this joint announcement, the Board comprises Dr. So Shu Fai, Mr. Mak Bing Kau, Mr. Ng Wai Hung and Mr. Lau Cheuk Lun as executive Directors and Mr. Pang Hon Chung, Mr. Cheng Tsang Wai and Dr. Chung Hing Wah, Paul as independent non-executive Directors.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror and parties acting in concert with it), and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror and parties acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

As at the date of this joint announcement, the directors of the Offeror are Mr. Huang Peikun and Mr. Liu Zhuogen.

All the directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group and parties acting in concert with it), and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Group and parties acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any such statement contained in this joint announcement misleading.

The English text of this joint announcement shall prevail over its Chinese text.