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TSUN YIP HOLDINGS LIMITED

進業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8356)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules.

The Company is currently finalizing the consolidated management accounts of the Group for the nine months ended 31 December 2011.

The Board wishes to inform the shareholders of the company that the Group is expected to record a significant loss for the nine months ended 31 December 2011 as compared to the profit for the same period in 2010 mainly due to the increased cost incurred in connection with the Acquisition, share-based payment expenses upon cancellation of share options arrangement, amortisation on television broadcasting right upon completion of the Acquisition, finance costs of promissory note and convertible notes, business development expenses and other legal and professional fees.

This profit warning announcement is only based on the Company's preliminary review on the consolidated management accounts of the Group, which has not been reviewed nor audited by the Company's auditor.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Tsun Yip Holdings Limited (the "**Company**"), together with its subsidiaries, the "**Group**") pursuant to Rule 17.10 of the Rules Governing the Listing of Securities (the "**GEM Listing Rules**") on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is currently finalizing the consolidated management accounts of the Group for the nine months ended 31 December 2011. The board (the "**Board**") of directors of the Company (the

“**Directors**”) wishes to inform the shareholders of the company that the Group is expected to record a significant loss for the nine months ended 31 December 2011 as compared to the profit for the same period in 2010. Such loss is primarily attributable to (i) the costs incurred in connection with the acquisition of the entire issued share capital of Xinhua TV Asia-Pacific Operating Co., Limited (the “**Acquisition**”); (ii) full recognition of share-based payment expenses upon cancellation of share options arrangement; (iii) amortisation on television broadcasting right upon completion of the Acquisition; (iv) incurrence of interest expenses for promissory note and convertible notes; (v) business development expenses; and (vi) other legal and professional fees.

The information contained in this announcement is only based on the preliminary review of the unaudited consolidated management accounts of the Group for the nine months ended 31 December 2011 by the management of the Company, which has not been reviewed nor audited by the Company’s auditor. It is expected that the Company will announce the third quarterly result for the nine months ended 31 December 2011 before mid February 2012.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

For and on behalf of the Board
Tsun Yip Holdings Limited
Zou Chen Dong
CEO and Executive Director

Hong Kong, 26 January 2012

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Wu Jin Cai

Zou Chen Dong

Wu Xu Hong

Kan Kwok Cheung

Cheng Ka Ming, Martin

Chia Thien Loong, Eric John

Hui Chi Kwong

Non-executive Director:

Liang Hui

Independent non-executive Directors:

Chan Hon Yuen

Chu Siu Lun, Ivan

Hau Chi Kit

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the Stock Exchange's website at <http://www.hkexnews.hk> and on the "Latest Company Announcements" page for seven days from the day of its posting. This announcement will also remain on the Company's website at <http://www.tsunyip.hk>.