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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)

- (1) COMPLETION OF VERY SUBSTANTIAL ACQUISITION
IN RELATION TO THE ACQUISITION OF
THE ENTIRE ISSUED SHARE CAPITAL OF
XINHUA TV ASIA-PACIFIC OPERATING CO., LIMITED;**
(2) CONTINUING CONNECTED TRANSACTIONS;
(3) APPOINTMENT OF DIRECTORS;
**(4) CHANGE OF CHAIRMAN AND RESIGNATION OF
VICE-CHAIRMAN OF THE BOARD;**
**(5) CHANGE OF CHIEF EXECUTIVE OFFICER
AND CHIEF FINANCIAL OFFICER;**
(6) ADDITION OF MEMBER TO VARIOUS BOARD COMMITTEES;
(7) CHANGE OF AUTHORISED REPRESENTATIVE;
AND
(8) PROPOSED CHANGE OF COMPANY NAME

COMPLETION OF THE ACQUISITION

The Board is pleased to announce that all of the conditions precedent under the Acquisition Agreement have been satisfied and Completion took place on 9 December 2011.

CONTINUING CONNECTED TRANSACTIONS

Following Completion, the Target Company became a wholly-owned subsidiary of the Company and China Xinhua NNC became a Substantial Shareholder, and is therefore a connected person of the Company within the meaning of the GEM Listing Rules. As a result, the Transactions constitute continuing connected transactions for the Company pursuant to Chapter 20 of the GEM Listing Rules.

Pursuant to Rule 20.41 of the GEM Listing Rules, the Transactions are subject to the applicable reporting and disclosure requirements under Chapter 20 of the GEM Listing Rules. The Company will comply with the applicable reporting, disclosure and independent Shareholders' approval requirements, as the case may be, under Chapter 20 of the GEM Listing Rules upon any variation or renewal of the Television Broadcasting Right.

APPOINTMENT OF DIRECTORS

Pursuant to the terms of the Acquisition Agreement, following Completion, Mr. Wu Jin Cai, Mr. Zou Chen Dong and Ms. Wu Xu Hong have been appointed as executive Directors, and Ms. Liang Hui has been appointed as non-executive Director, with effect from 9 December 2011. The appointment of these new Directors have been approved by the Shareholders at the EGM.

CHANGE OF CHAIRMAN AND RESIGNATION OF VICE-CHAIRMAN OF THE BOARD

The Board announces that Mr. Kan Kwok Cheung has tendered his resignation as the chairman of the Board with effect from 9 December 2011 and Mr. Wu Jin Cai has been appointed as the new chairman of the Board with effect from 9 December 2011. Mr. Kan Kwok Cheung remains as an executive Director. Mr. Cheng Ka Ming, Martin has tendered his resignation as the vice-chairman of the Board with effect from 9 December 2011. Mr. Cheng remains as an executive Director.

CHANGE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

The Board announces that Mr. Chia Thien Loong, Eric John has resigned as the chief executive officer of the Company and Mr. Zou Chen Dong, an executive Director, has been appointed as the chief executive officer of the Company with effect from 9 December 2011. Mr. Chia Thien Loong, Eric John remains as an executive Director.

The Board also announces that Mr. Tam Tsang Ngai has resigned as the chief financial officer of the Company and Ms. Wu Xu Hong, an executive Director, has been appointed as the chief financial officer of the Company with effect from 9 December 2011. Mr. Tam Tsang Ngai remains as the company secretary of the Company.

ADDITION OF MEMBER TO VARIOUS BOARD COMMITTEES

The Board also announces that Ms. Liang Hui has been appointed as a member of the audit committee, remuneration committee and nomination committee of the Company respectively with effect from 9 December 2011.

CHANGE OF AUTHORISED REPRESENTATIVE

The Board also announces that Mr. Cheng Ka Ming, Martin has resigned as the authorised representative of the Company and Mr. Zou Chen Dong, an executive Director, has been appointed as the authorised representative of the Company with effect from 9 December 2011.

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the name of the Company from “Tsun Yip Holdings Limited (進業控股有限公司)” to “CNC Holdings Limited (中國新華電視控股有限公司)”.

The proposed change of the Company names is subject to approval by the Shareholders at the Proposed EGM.

A circular containing, among other things, details of the proposed change of the Company name together with a notice convening the Proposed EGM will be despatched to the Shareholders on or before 4 January 2012.

References are made to the Announcement and the Circular.

The Board is pleased to announce that all of the conditions precedent under the Acquisition Agreement have been satisfied and Completion took place on 9 December 2011. At Completion, the Company issued the Consideration Shares to China Xinhua NNC and the Convertible Bonds to the Vendors pursuant to the terms of the Acquisition Agreement.

CONTINUING CONNECTED TRANSACTIONS AND GEM LISTING RULES IMPLICATIONS

Following Completion, the Target Company became a wholly-owned subsidiary of the Company and China Xinhua NNC became a Substantial Shareholder, and is therefore a connected person of the Company within the meaning of the GEM Listing Rules. As a result, the Transactions constitute continuing connected transactions for the Company pursuant to Chapter 20 of the GEM Listing Rules.

Pursuant to Rule 20.41 of the GEM Listing Rules, the Transactions are subject to the applicable reporting and disclosure requirements under Chapter 20 of the GEM Listing Rules. The Company will comply with the applicable reporting, disclosure and independent Shareholders' approval requirements, as the case may be, under Chapter 20 of the GEM Listing Rules upon any variation or renewal of the Television Broadcasting Right.

TELEVISION BROADCASTING RIGHT

The Television Broadcasting Right was granted by China Xinhua NNC to the Target Company on 5 September 2011 for the period from 1 September 2011 to 31 August 2021 on an exclusive basis with, among other things, the following key terms:

- (i) an annual fee of (a) HK\$1 million payable by the Target Company to China Xinhua NNC prior to 31 December 2016; and (b) HK\$3 million payable by the Target Company to China Xinhua NNC with effect from 1 January 2017;
- (ii) the Target Company has the exclusive right to broadcast all Television Programmes from Xinhua News Agency in all its overseas distribution channels, including its co-operative companies and/or self-owned enterprises, television channels or other media channel;
- (iii) commercial advertising will be allowed when broadcasting the Television Programmes of Xinhua News Agency;
- (iv) the Target Company may broadcast Television Programmes produced by the Target Company itself for no more than 60 minutes per day, provided that such Television Programmes must be approved by the relevant officer of Xinhua News Agency before broadcasting; and
- (v) China Xinhua NNC has the right to terminate the Television Broadcasting Right by giving three days' notice to the Target Company in the event that (a) a mandatory general offer is made by any third party or parties acting in concert (as defined in the Takeovers Code) with it pursuant to the Takeovers Code; (b) any third party or parties acting in concert with it holding 30% or more of the outstanding Shares and is granted a waiver by the Hong Kong Securities and Futures Commission to make a mandatory general offer pursuant to the Takeovers Code; or (c) there is a change in control (as defined in the Takeovers Code) in the Company.

The Company expects that the fee commitments and other fundings required for the Television Broadcasting Business will be financed by (i) operating cash inflow from the existing waterworks business; (ii) proceeds from the placing exercise conducted by the Company on 21 July 2011; and (iii) other banking facilities, debt or equity funding exercise, as and when appropriate.

As advised by the Vendors, the terms of the Television Broadcasting Right were arrived at after arm's length negotiations between China Xinhua NNC and the Target Company.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

As stated on page 10 in the Company's first quarterly report for 2011/12 dated 11 August 2011, the Company continues to stay focused on enhancing the competitiveness of its core business and at the same time, explore new business opportunities to broaden its source of income and expand the business operations in order to maximize profit and return for the Company and the Shareholders. Although the business of the Target Company is new to the Company, the Company expects the Acquisition to bring in substantial advertising revenue to the Group in the future.

The fixed costs of the Target Company mainly comprise the expenses payable to China Xinhua NNC for the information content owned by Xinhua News Agency, the satellite transmission and broadcasting expenses to satellite operator(s) and broadcasting content expenses for the media broadcasting providers; whereas the variable costs mainly comprise the sharing of advertising revenue and sales and marketing expenses in promoting the programmes of Xinhua News Agency. The Directors consider that, given that the operating costs of the Target Company are substantially fixed or incurred as a factor to the advertising revenue, the Directors expect the Acquisition to bring in substantial advertising revenue to the Group following an increase in viewership, which can be achieved by promotional activities.

In view of the above, the Company is of the view that it is reasonable to expect that the advertising income of the Target Company will be higher than the cost of the operations.

The Directors consider that the Acquisition offers a unique opportunity for the Group to participate in the Television Broadcasting Business with a broadcasting network of television channel having a relatively extensive scale (i.e. news content with an extensive network of reporting team in terms of the number of reporters stationed in over 100 news reporting centres around the world) within a shorter time frame than setting up the same with its own effort. In particular, leveraging on the extensive network of reporters worldwide and resources available to Xinhua News Agency in producing television programmes, the Directors believe that viewership will increase with appropriate promotional effort and therefore the Acquisition is capable of bringing in substantial advertising revenue to the Company in the future. Such advertising revenue is expected to enlarge and diversify the Group's income stream, which is consistent with the Group's strategy of broadening its source of income, and the Group's acquisition of a minority interest in China New Media (HK) Company Limited, as set out in the Company's announcement dated 28 July 2011.

Further details in relation to, among other things, the Acquisition, the Television Broadcasting Right and the Target Company are set out in the Circular.

The Directors (including the independent non-executive Directors) believe that the terms of the Transactions are fair and reasonable and in the interests of the Shareholders as a whole.

INFORMATION ABOUT THE COMPANY

The principal business activities of the Group are provision of waterworks engineering services, road works and drainage services and site formation works for the public sector in Hong Kong. Following the Completion, the business of the Group will be diversified to include the Television Broadcasting Business whereby the Television Programmes are broadcasted in the Asia-Pacific region (excluding the PRC).

INFORMATION ABOUT CHINA XINHUA NNC

China Xinhua NNC is a company incorporated in Hong Kong and a wholly-owned subsidiary of Xinhua News Agency. Its principal business is investment holding and has not been engaged in any business operation since its incorporation in December 2009 save for the setting up of the Target Company and the entering into of the three separate agreements with Chinese New Zealand Television Limited on 10 January 2011, Mongolia Broadcast Company Limited on 20 December 2010 and APT Satellite Company Limited on 7 October 2010, respectively.

APPOINTMENT OF DIRECTORS

Pursuant to the terms of the Acquisition Agreement, following Completion, Mr. Wu Jin Cai, Mr. Zou Chen Dong and Ms. Wu Xu Hong have been appointed as executive Directors, and Ms. Liang Hui has been appointed as non-executive Director, with effect from 9 December 2011. The appointment of these new Directors have been approved by the Shareholders at the EGM.

The biographical details of Mr. Wu Jin Cai, Mr. Zou Chen Dong, Ms. Wu Xu Hong and Ms. Liang Hui are set out below:

Mr. Wu Jin Cai

Mr. Wu Jin Cai (“Mr. Wu”), aged 49, is a professional senior reporter (高級記者) of Xinhua News Agency. Mr. Wu joined Xinhua News Agency in July 1982 after graduating from University of Nanjing and has about 30 years of experience in the media industry. Being regarded as professional senior reporter, he has held the positions of reporter and editor in financial and economical businesses during his 30 years with Xinhua News Agency. Mr. Wu was awarded the “Government Special Grant (政府特殊津貼)” by the Council of the PRC for his contribution on journalism in 1992. He is the deputy editor in chief of Xinhua News Agency, the officer of Xinhua News Agency Audio and Video

News Desk and a director of China Xinhua NNC. Mr. Wu has not held any positions with the Company or other members of the Group prior to his appointment as an executive Director.

As at the date of this announcement, the Company has entered into a service contract with Mr. Wu for an initial term of three years and subject to rotation and re-election pursuant to the GEM Listing Rules and the articles of association of the Company. Mr. Wu is entitled to an annual salary of HK\$12,000 and he is eligible for a discretionary bonus which will be determined by the Board with reference to the duties and responsibilities of Mr. Wu in the Company and the prevailing market conditions.

Mr. Wu has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Mr. Wu has no relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and has no interests in the Shares within the meaning of Part XV of the SFO as at the date of this announcement.

Save as otherwise disclosed above, Mr. Wu has confirmed that there is no information which should be brought to the attention of the Shareholders in connection with his appointment as an executive Director and there is no other information that should be disclosed pursuant to any of the requirements in Rule 17.50(2)(h) to (w) of the GEM Listing Rules.

Mr. Zou Chen Dong

Mr. Zou Chen Dong (“Mr. Zou”), aged 43, is a reporter superior (主任記者) of Xinhua News Agency. Mr. Zou graduated from the Department of Journalism of China People’s Liberation Army Nanjing School of Department Political Science (中國人民解放軍南京政治學院新聞系) in 1990 and joined Xinhua News Agency in 2001. He was a reporter of Tibet People’s Broadcast Television (西藏人民廣播電台) and Tibet Television (西藏電視台) in 1991, a reporter in China Central People’s Broadcast Television (中國中央人民廣播電台) in 1994, a reporter in a Tibet correspondent of New China Agency People’s Liberation Army in 2001 and the news director of Shanghai Securities News (上海證券報) in 2007. Mr. Zou is a director of China Xinhua NNC. Mr. Zou has about 20 years of experience in the media industry. Mr. Zou has not held any positions with the Company or other members of the Group prior to his appointment as an executive Director.

As at the date of this announcement, the Company has entered into a service contract with Mr. Zou for an initial term of three years and subject to rotation and re-election pursuant to the GEM Listing Rules and the articles of association of the Company. Mr. Zou is entitled to an annual salary of HK\$12,000 and he is eligible for a discretionary bonus which will be determined by the Board with reference to the duties and responsibilities of Mr. Zou in the Company and the prevailing market conditions.

Mr. Zou has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Mr. Zou has no relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and has no interests in the Shares within the meaning of Part XV of the SFO as at the date of this announcement.

Save as otherwise disclosed above, Mr. Zou has confirmed that there is no information which should be brought to the attention of the Shareholders in connection with his appointment as an executive Director and there is no other information that should be disclosed pursuant to any of the requirements in Rule 17.50(2)(h) to (w) of the GEM Listing Rules.

Ms. Wu Xu Hong

Ms. Wu Xu Hong (“Ms. Wu”), aged 43, is an editorial superior (主任編輯) of Xinhua News Agency. Ms. Wu obtained a double degree from the Department of Television Broadcasting Engineering and Journalism of the Communication University of China (中國傳媒大學) (formerly known as Beijing Broadcasting Institute (北京廣播學院)) in 1990 and 1995. Ms. Wu joined Xinhua News Agency in 1995. She was the officer in charge of the current affairs department, administration-in-charge officer and a committee member of the Xinhua News Agency Women’s Commission. She is the general manager of Xinhua News Agency Audio and Video News Desk. Ms. Wu is also a director of China Xinhua NNC. Ms. Wu has about 16 years of experience in the media industry. Ms. Wu has not held any positions with the Company or other members of the Group prior to her appointment as an executive Director.

As at the date of this announcement, the Company has entered into a service contract with Ms. Wu for an initial term of three years and subject to rotation and re-election pursuant to the GEM Listing Rules and the articles of association of the Company. Ms. Wu is entitled to an annual salary of HK\$12,000 and she is eligible for a discretionary bonus which will be determined by the Board with reference to the duties and responsibilities of Ms. Wu in the Company and the prevailing market conditions.

Ms. Wu has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Ms. Wu has no relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and has no interests in the Shares within the meaning of Part XV of the SFO as at the date of this announcement.

Save as otherwise disclosed above, Ms. Wu has confirmed that there is no information which should be brought to the attention of the Shareholders in connection with her appointment as an executive Director and there is no other information that should be disclosed pursuant to any of the requirements in Rule 17.50(2)(h) to (w) of the GEM Listing Rules.

Ms. Liang Hui

Ms. Liang Hui (“Ms. Liang”), aged 44, is a senior qualified accountant in the PRC. In July 2006, she was appointed to take part in the national senior accountant leader training (Administration Affairs) (國家高級會計師領導培訓(行政事務)) held by the Ministry of Finance. She was the officer in charge of the accounting technology department (技術局經管處主管會計), department of financial technology (技術局財務部主任), department of statistics audit (技術局統計核算部主任) and Vice-Commissioner of Financial Assets Management (計財局資金管理處副處長) of Xinhua News Agency. Ms. Liang, joined Xinhua News Agency in 1992, is the Commissioner of Financial Assets Management (計財局資金管理處處長) of Xinhua News Agency and financial controller of China Xinhua NNC. Ms. Liang has about 20 years of experience in the accounting and finance sector of the media industry. Ms. Liang has not held any positions with the Company or other members of the Group prior to her appointment as a non-executive Director.

As at the date of this announcement, the Company has entered into a service contract with Ms. Liang for an initial term of three years and subject to rotation and re-election pursuant to the GEM Listing Rules and the articles of association of the Company. Ms. Liang is entitled to an annual salary of HK\$12,000 and she is eligible for a discretionary bonus which will be determined by the Board with reference to the duties and responsibilities of Ms. Liang in the Company and the prevailing market conditions.

Ms. Liang has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. Ms. Liang has no relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company and has no interests in the Shares within the meaning of Part XV of the SFO as at the date of this announcement.

Save as otherwise disclosed above, Ms. Liang has confirmed that there is no information which should be brought to the attention of the Shareholders in connection with her appointment as a non-executive Director and there is no other information that should be disclosed pursuant to any of the requirements in Rule 17.50(2)(h) to (w) of the GEM Listing Rules.

CHANGE OF CHAIRMAN AND RESIGNATION OF VICE-CHAIRMAN OF THE BOARD

The Board announces that Mr. Kan Kwok Cheung (“Mr. Kan”) has tendered his resignation as the chairman of the Board with effect from 9 December 2011 and Mr. Wu Jin Cai has been appointed as the new chairman of the Board with effect from 9 December 2011. Mr. Kan remains as an executive Director. Mr. Cheng Ka Ming, Martin (“Mr. Cheng”) has tendered his resignation as the vice-chairman of the Board with effect from 9 December 2011. Mr. Cheng remains as an executive Director.

Mr. Kan, aged 46, is the founder of the Group. Mr. Kan was appointed as an executive Director and the chairman of the Board on 11 August 2010. Mr. Kan is responsible for the overall business planning and corporate strategy of the Group. Mr. Kan is a director of Tsun Yip Civil Construction Company Limited and Tsun Yip Waterworks Construction Company Limited, both of which are indirect wholly-owned subsidiary of the Company. Mr. Kan has over 21 years of experience in handling civil engineering projects of various types. Mr. Kan has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the date of this announcement, Mr. Kan is interested or deemed to be interested in 409,200,000 Shares (representing approximately 24.58% of the entire issued share capital of the Company following Completion) within the meaning of Part XV of the SFO. Save as aforesaid, Mr. Kan has no interests in the Shares within the meaning of Part XV of the SFO as at the date of this announcement.

Mr. Kan is the sole beneficial owner of Shunleetat (BVI) Limited which is interested in 409,200,000 Shares as at the date of this announcement. Save as disclosed aforesaid, Mr. Kan has no relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company.

Mr. Kan has entered into a service contract with the Company for an initial term of three years commencing from 11 August 2010 pursuant to which Mr. Kan is entitled to a fixed salary of HK\$12,000 per annum and a discretionary bonus to be determined by the Board from time to time. The emoluments of Mr. Kan were determined on the basis of Mr. Kan’s experience, level of responsibilities within the Group, and the prevailing market conditions.

Save as otherwise disclosed above, Mr. Kan has confirmed that there is no information which should be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to any of the requirements in Rule 17.50(2)(h) to (w) of the GEM Listing Rules.

CHANGE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

The Board announces that Mr. Chia Thien Loong, Eric John (“Mr. Chia”) has resigned as the chief executive officer of the Company and Mr. Zou Chen Dong, an executive Director, has been appointed as the chief executive officer of the Company with effect from 9 December 2011. Mr. Chia remains as an executive Director.

The Board also announces that Mr. Tam Tsang Ngai (“Mr. Tam”) has resigned as the chief financial officer of the Company and Ms. Wu Xu Hong, an executive Director, has been appointed as the chief financial officer of the Company with effect from 9 December 2011. Mr. Tam remains as the company secretary of the Company.

ADDITION OF MEMBER TO VARIOUS BOARD COMMITTEES

The Board also announces that Ms. Liang Hui has been appointed as a member of the audit committee, remuneration committee and nomination committee of the Company with effect from 9 December 2011. Accordingly, the composition of the audit committee, remuneration committee and nomination committee of the Company is as follows:

Audit Committee

Mr. Chan Hon Yuen (*Chairman*)

Ms. Liang Hui

Mr. Chu Siu Lun, Ivan

Mr. Hau Chi Kit

Remuneration Committee

Mr. Kan Kwok Cheung (*Chairman*)

Ms. Liang Hui

Mr. Chu Siu Lun, Ivan

Mr. Hau Chi Kit

Nomination Committee

Mr. Kan Kwok Cheung (*Chairman*)

Ms. Liang Hui

Mr. Chan Hon Yuen

Mr. Chu Siu Lun, Ivan

CHANGE OF AUTHORISED REPRESENTATIVE

The Board also announces that Mr. Cheng Ka Ming, Martin has resigned as the authorised representative of the Company and Mr. Zou Chen Dong, an executive Director, has been appointed as the authorised representative of the Company with effect from 9 December 2011.

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the name of the Company from “Tsun Yip Holdings Limited (進業控股有限公司)” to “CNC Holdings Limited (中國新華電視控股有限公司)”.

REASONS FOR THE PROPOSED CHANGE OF NAME

The Board believes that the proposed new English and Chinese names of the Company will give the Shareholders, investors and the public a new corporate image and identity which can better reflect the diversification of the Group’s businesses into the Television Broadcasting Business. The Board further believes that by leveraging on the “CNC” and “新華” brandname of Xinhua News Agency, the Target Company could save brand development and marketing costs in promoting the Television Programmes to potential television broadcasting companies, advertising companies and advertising clients and therefore the change of the Company name is in the interest of the Company and the Shareholders as a whole.

CONDITION OF THE PROPOSED CHANGE OF NAME

The proposed change of name of the Company is subject to (a) the passing of a special resolution approving such change by the Shareholders at the Proposed EGM; and (b) the Registrar of Companies in the Cayman Islands approving the change of Company name.

The relevant filing with the Registrar of Companies in the Cayman Islands will be made after the passing of the special resolution at the Proposed EGM.

The change of Company name will take effect from the date on which the new name of the Company are entered in the register by the Registrar of Companies in the Cayman Islands. Thereafter, the Company will carry out any necessary filing procedures with the Registrar of Companies in Hong Kong as required under the applicable laws, rules and regulations of Hong Kong.

EFFECT OF THE PROPOSED CHANGE OF NAME

The change of name of the Company will not, by itself, affect any of the rights of the Shareholders. All existing certificates of securities of the Company in issue bearing the existing name of the Company will continue to be evidence of legal title to such securities and the existing share certificates will remain valid for trading, settlement, registration and delivery purposes. Any new certificates of securities of the Company issued after the said change of name of the Company has become effective will be under the Company’s new name. There will not be any arrangement for free exchange of the existing certificates of securities of the Company in relation to the change of the Company’s name.

Further announcement will be issued by the Company regarding the effective date of the change of name of the Company and the change of its stock short name for trading of the Company's shares on the Stock Exchange.

A circular containing, among other things, details of the proposed change of the Company names together with a notice convening the Proposed EGM will be despatched to the Shareholders on or before 4 January 2012.

DEFINITIONS

In this announcement, the following terms shall have the following meanings:

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| “Acquisition” | the acquisition of 10,000 ordinary shares of HK1.00 each in the issued share capital of the Target Company, representing the entire issued share capital of the Target Company |
| “Acquisition Agreement” | the agreement dated 6 September 2011 made between the Company and the Vendors in relation to the Acquisition as supplemented by the Supplemental Agreement and the Second Supplemental Agreement |
| “Announcement” | the announcement of the Company dated 11 October 2011 in relation to the Acquisition |
| “APT Satellite” | APT Satellite TV Development Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the APT Satellite Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1045) |
| “Board” | the board of Directors |
| “China Xinhua NNC” | China Xinhua News Network Co., Limited (中國新華新聞電視網有限公司), a company incorporated in Hong Kong and a wholly-owned subsidiary of Xinhua News Agency (新華社) |
| “Circular” | the circular of the Company dated 19 November 2011 in relation to, among other things, details of the Acquisition |
| “Company” | Tsun Yip Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on GEM |
| “Completion” | completion of the Acquisition in accordance with the terms of the Acquisition Agreement |

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| “connected person” | has the meaning ascribed to it under the GEM Listing Rules |
| “Consideration” | the consideration paid by the Company to the Vendors for the Acquisition under the Acquisition Agreement |
| “Consideration Shares” | 474,335,664 new Shares allotted and issued by the Company to China Xinhua NNC as part of the Consideration |
| “Convertible Bonds” | the convertible bonds issued by the Company to the Vendors as part of the Consideration |
| “Director(s)” | director(s) of the Company |
| “EGM” | an extraordinary general meeting of the Company convened on 6 December 2011, at which the resolutions set out in the notice convening the EGM dated 19 November 2011 were approved by the Shareholders |
| “GEM” | the Growth Enterprise Market of the Stock Exchange |
| “GEM Listing Rules” | The Rules Governing the Listing of Securities on GEM |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | The Hong Kong Special Administrative Region of the People’s Republic of China |
| “PRC” | the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan |
| “Proposed EGM” | the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the proposed change of Company names |
| “Proud Glory” | Proud Glory Investments Limited, a company incorporated in the British Virgin Islands and is wholly-owned by Dr. Lee Yuk Lun |

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| “Second Supplemental Agreement” | a second supplemental agreement to the Acquisition Agreement dated 26 October 2011 entered into between the Company and the Vendors |
| “SFO” | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s) of HK\$0.001 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Substantial Shareholder” | has the meaning ascribed to it under the GEM Listing Rules |
| “Supplemental Agreement” | a supplemental agreement to the Acquisition Agreement dated 10 October 2011 entered into between the Company and the Vendors |
| “Takeovers Code” | Hong Kong Code on Takeovers and Mergers |
| “Target Company” | Xinhua TV Asia-Pacific Operating Co., Limited, a company incorporated in Hong Kong |
| “Television Broadcasting Business” | the business of broadcasting the Television Programmes on television channels operated by television broadcasting companies in return for advertising and related income |
| “Television Broadcasting Right” | the right granted by China Xinhua NNC to the Target Company for broadcasting information contents from Xinhua News Agency under China Xinhua News Network Worldwide Channel (中國新華新聞電視網環球頻道) on television channels in the Asia Pacific region (excluding the PRC) |
| “Television Programmes” | the information contents that the Target Company is permitted to broadcast from time to time pursuant to the Television Broadcasting Right |
| “Transactions” | the transactions contemplated under the Television Broadcasting Right |

“Vendors”

China Xinhua NNC, APT Satellite and Proud Glory, being the vendors under the Acquisition Agreement

By Order of the Board
Tsun Yip Holdings Limited
Zou Chen Dong
CEO and Executive Director

Hong Kong, 9 December 2011

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 of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM”) of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, 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 GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least seven days from the date of its posting and the Company’s website at <http://www.tsunyip.hk>.