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**天溢果業控股有限公司**  
**Tianyi Fruit Holdings Limited**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 00756)**

**ANNOUNCEMENT**

This is a voluntary announcement made by the Company.

The Company has been informed that Mr. and Mrs. Sin, Cheer Sky and Mr. Hong have undergone the Internal Transfer resulting in (i) Mr. Sin's interest in Cheer Sky decreases from 100% to 51% with his spouse Mrs. Sin holding the remaining 49% interest; and (ii) Cheer Sky's interest in Key Wise increases from 13.144% to 49%.

This is a voluntary announcement made by the Company.

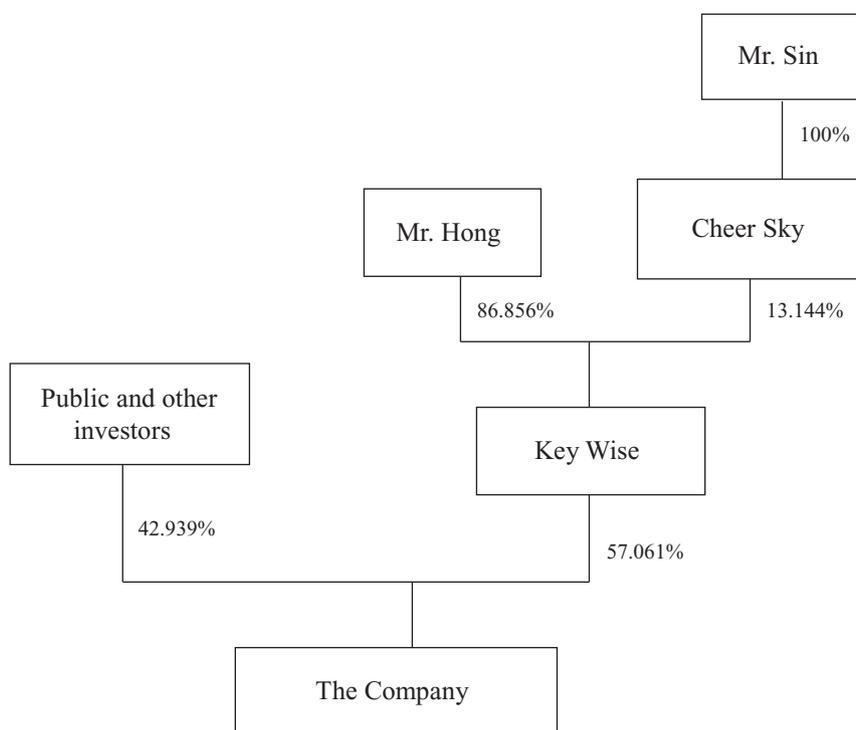
The board (the "**Board**") of directors (the "**Directors**") of Tianyi Fruit Holdings Limited (the "**Company**") wishes to inform its shareholders and the public that the Company has been informed that Mr. Sin Ke ("**Mr. Sin**"), his spouse Ms. Hong Manna ("**Mrs. Sin**"), Cheer Sky Limited ("**Cheer Sky**") and Mr. Hong Hong U ("**Mr. Hong**") have undergone the following allotments and transfer ("**Internal Transfer**"):

- (1) Mr. Sin has disposed of 49% interest in Cheer Sky to Mrs. Sin on 18 February 2009 by procuring Cheer Sky to allot and issue at par 49 shares of par value at US\$1 to Mrs. Sin and 50 shares of par value at US\$1 to himself. The consideration paid by Mrs. Sin is nominal (US\$49 payable by Mrs. Sin upon allotment of shares in Cheer Sky to Mrs. Sin). After the aforesaid allotments, Mr. Sin and Mrs. Sin hold 51% and 49% interest in Cheer Sky, respectively; and
- (2) After completion of the allotments as detailed in paragraph (1) above, Mr. Hong has transferred approximately 35.856% interest in Key Wise Group Limited ("**Key Wise**") at a nominal aggregate consideration of HK\$1 to Cheer Sky on 18 February 2009, resulting in Key Wise being held by Mr. Hong and Cheer Sky as to 51% and 49%, respectively.

### *Shareholding Structure of Key Wise before completion of the Internal Transfer*

Key Wise is a controlling shareholder of the Company, holding approximately 57.061% interest in the Company as of the date of this announcement. Immediately before the Internal Transfer, Key Wise was held by Mr. Hong as to 86.856%, and Cheer Sky as to 13.144%. Cheer Sky was wholly owned by Mr. Sin. Both of Mr. Hong and Mr. Sin are executive Directors. Mrs. Sin is the sister of Mr. Hong, and therefore Mr. Sin is the brother-in-law of Mr. Hong. On 18 November 2008, Mr. Hong was granted an option under the share option scheme of the Company to subscribe for 4,000,000 shares in the Company and Mr. Sin was granted an option under the share option scheme of the Company to subscribe for 6,000,000 shares in the Company.

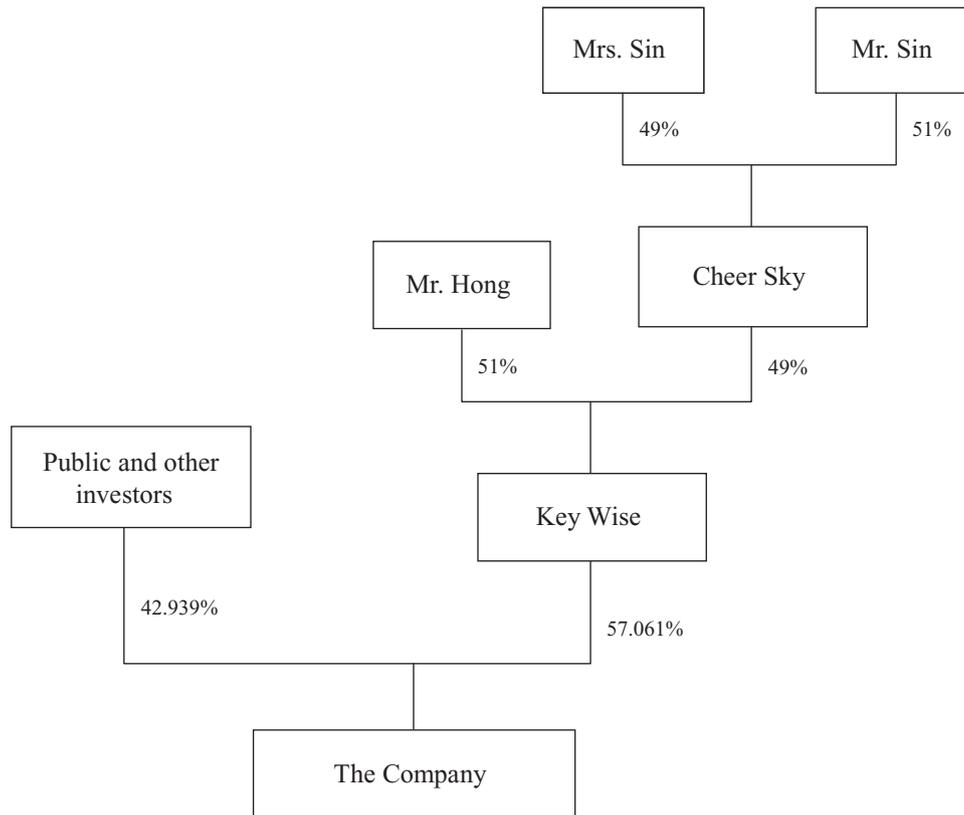
Save as aforesaid, each of Mr. and Mrs. Sin, Cheer Sky, Key Wise and Mr. Hong has no other equity interest in the Company. The following diagram demonstrates the shareholding structure of the Company as far as Key Wise is concerned immediately before the Internal Transfer:



***Shareholding Structure of Key Wise after completion of the Internal Transfer***

After completion of the Internal Transfer, Mr. Hong remains as the majority shareholder of Key Wise. As advised by Mr. and Mrs. Sin, Cheer Sky and Mr. Hong, there is no change in control of the Company after completion of the Internal Transfer.

The following diagram demonstrates the shareholding structure of the Company after completion of the Internal Transfer as far as Key Wise is concerned:



***Reasons for the Internal Transfer***

Mrs. Sin is the spouse of Mr. Sin, and the sister of Mr. Hong. The Internal Transfer is a family arrangement initiated from the kinship among Mr. and Mrs. Sin and Mr. Hong.

The Directors have confirmed that there will be no change in business focus or business following the Internal Transfer.

By order of the Board  
**Tianyi Fruit Holdings Limited**  
**HONG HONG U**  
*Chairperson*

Hong Kong, 18 February 2009

*As at the date of this announcement, the executive Directors are Mr. HONG Hong U, Mr. SIN Ke and Mr. SAN Kwan; the independent non-executive Directors are Mr. TU Zongcai, Mr. ZHUANG Weidong and Mr. ZHUANG Xueyuan.*