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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect about this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Fong's Industries Company Limited, you should at once hand this circular, together with the accompanying form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**FONG'S INDUSTRIES COMPANY LIMITED**

**立信工業有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 641)

**GENERAL MANDATES TO ISSUE AND PURCHASE SHARES  
AND  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A letter from the board of directors of Fong's Industries Company Limited (the "Company") is set out on pages 3 to 8 of this circular.

A notice convening the annual general meeting of the Company to be held on 26 May, 2009 at 8/F., 22-28 Cheung Tat Road, Tsing Yi, Hong Kong at 11:00 a.m. is set out on pages 12 to 15 of this circular.

If you are not able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the principal place of business of the Company in Hong Kong at 8th Floor, 22-28 Cheung Tat Road, Tsing Yi, Hong Kong as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for the holding of the meeting or any adjournment thereof.

Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so desire.

30 April, 2009

\* *For identification purpose only*

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at 8/F., 22-28 Cheung Tat Road, Tsing Yi, Hong Kong on 26 May, 2009 at 11:00 a.m.
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company
“Company”	Fong’s Industries Company Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandates”	the Issue Mandate and the Purchase Mandate to be sought at the AGM as set out in the Notice of AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	the mandate to allot and issue Shares as set out in the Notice of AGM
“Latest Practicable Date”	22 April, 2009, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice of AGM”	the notice convening the AGM set out on pages 12 to 15 of this circular
“PRC”	the People’s Republic of China and for the purpose of this circular shall exclude Hong Kong, Macau and Taiwan
“Purchase Mandate”	the mandate to purchase Shares as described in the explanatory statement set out in the Appendix to this circular
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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LETTER FROM THE BOARD

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**FONG'S INDUSTRIES COMPANY LIMITED**

**立信工業有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 641)

*Executive Directors:*

Mr. Fong Sou Lam (*Chairman*)  
Mr. Wan Wai Yung (*Chief Executive Officer*)  
Mr. Fong Kwok Leung, Kevin  
Mr. Fong Kwok Chung, Bill  
Mr. Tou Kit Vai  
Dr. Tsui Tak Ming, William  
Ms. Poon Hang Sim, Blanche

*Independent Non-executive Directors:*

Mr. Cheung Chiu Fan  
Dr. Yuen Ming Fai  
Dr. Keung Wing Ching

*Registered office:*

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

*Head office and principal place  
of business in Hong Kong:*

8th Floor,  
22-28 Cheung Tat Road  
Tsing Yi  
Hong Kong

30 April, 2009

*To the Shareholders*

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND PURCHASE SHARES  
AND  
RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information on the proposals to:

- (a) grant the Directors the General Mandates; and
- (b) re-elect Directors.

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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### GENERAL MANDATES

At the annual general meeting of the Company held on 28 May 2008, the Directors were granted general mandates to issue and purchase Shares. Such mandates will lapse at the conclusion of the forthcoming AGM. The Directors believe that a renewal of these mandates are in the interests of the Company and Shareholders as a whole. Therefore, at the AGM, ordinary resolutions will therefore be proposed:

- (a) to grant to the Directors the Purchase Mandate to exercise the powers of the Company to purchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the passing of such resolution;
- (b) to grant to the Directors the Issue Mandate to exercise the powers of the Company to allot, issue and otherwise deal with additional Shares up to a maximum of 20% of the aggregate nominal share capital of the Company in issue as at the date of the passing of such resolution; and
- (c) to increase the number of Shares to be allotted and issued under the Issue Mandate by an additional number representing such number of Shares purchased under the Purchase Mandate;

at any time until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws of Bermuda to be held; and (iii) the date on which the authority set out in the resolution is revoked or varied by an ordinary resolution of the Shareholders of the Company at general meeting.

Under the Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution to grant to the Directors the Purchase Mandate. The explanatory statement required by the Listing Rules is set out in the Appendix to this circular.

### RE-ELECTION OF DIRECTORS

Pursuant to the Bye-Law 99(A), at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to one-third) shall retire from office by rotation provided that the Chairman and Managing Director shall not, whilst holding their office, be subject to retirement by rotation or be taken into account in determining the number of directors to retire each year.

However, in the spirit of good corporate governance practices, Mr. Fong Sou Lam who is the Chairman of the Board will voluntarily retire from his office by rotation at the relevant annual general meetings of the Company notwithstanding that he is not required by the Bye-Laws to do so.

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## LETTER FROM THE BOARD

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Mr. Fong Sou Lam, Mr. Fong Kwok Leung, Kevin, Dr. Tsui Tak Ming, William and Dr. Keung Wing Ching will retire from office by rotation under the Bye-Law 99(A) at the AGM, but all of them will be offering themselves for re-election at the same meeting.

Brief biographical details of the retiring Directors proposed to be re-elected at the AGM are set out as follows:

Mr. Fong Sou Lam (“Mr. S.L. Fong”), aged 74, is the founder and Chairman of the Group. Mr. S.L. Fong established the dyeing and finishing machine manufacturing business in 1963 and has over 40 years of business experience in that industry. Mr. S.L. Fong is responsible for formulating and implementing the overall corporate directions, corporate strategies and policies of the Group. Mr. S.L. Fong is also the Chairman of the Remuneration Committee of the Company. Mr. S.L. Fong is the father of Mr. Fong Kwok Leung, Kevin and Mr. Fong Kwok Chung, Bill, who are Executive Directors of the Company. As at the Latest Practicable Date, Mr. S.L. Fong was interested in 329,847,360 Shares, representing 59.8% interest in the issued share capital of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. S.L. Fong was not related to any directors, senior management, substantial shareholders or controlling shareholders of the Company and did not hold any directorship in other listed companies in the last three years. There is no service contract between the Company and Mr. S.L. Fong. Mr. S.L. Fong has no fixed term of service with the Company but will be subject to rotational retirement and re-election requirements at annual general meetings. Mr. S.L. Fong received emoluments of HK\$4,886,000 for the year ended 31 December, 2008 which was determined by the Remuneration Committee of the Company with reference to his duties and responsibilities with the Company, the prevailing market practice and his contribution to the Group. Save as disclosed herein, there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the Shareholders.

Mr. Fong Kwok Leung, Kevin (“Mr. Kevin Fong”), aged 47, is the eldest son of Mr. Fong Sou Lam, Chairman of the Company and joined the Group in 1986. Mr. Kevin Fong has been involved in the business of stainless steel trading since 1988 and is currently responsible for overseeing the stainless steel trading and stainless steel casting businesses of the Group. Mr. Kevin Fong holds a Bachelor’s Degree in Business Administration from the Simon Fraser University, Canada. As at the Latest Practicable Date, Mr. Kevin Fong was interested in 19,228,241 Shares, representing 3.5% interest in the issued share capital of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Kevin Fong was not related to any directors, senior management, substantial shareholders or controlling shareholders of the Company and did not hold any directorship in other listed companies in the last three years. There is no service contract between the Company and Mr. Kevin Fong. Mr. Kevin Fong has no fixed term of service with the Company but will be subject to rotational retirement and re-election requirements at annual general meetings pursuant to the provisions of the Bye-Laws. Mr. Kevin Fong received emoluments of HK\$3,155,000 for the year ended 31 December, 2008 which was determined by the Remuneration Committee of the Company with reference to his duties and responsibilities with the Company, the prevailing market practice and his contribution to the Group. Save as disclosed herein, there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the Shareholders.

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## LETTER FROM THE BOARD

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Dr. Tsui Tak Ming, William (“Dr. Tsui”), aged 50, is a chartered engineer and chartered I.T. professional, and he is in charge of the research & development team of the Group. Dr. Tsui holds a bachelor of science degree and a doctorate degree in Aeronautical Engineering and is a corporate member of the British Royal Aeronautical Society and a member of the Institution of Mechanical Engineers in the United Kingdom, the Hong Kong Institution of Engineers, the Hong Kong Computer Society and the British Computer Society. Dr. Tsui joined the Group in 1989 and has over 25 years of experience in research and development on mechanical engineering and information technology. As at the Latest Practicable Date, Dr. Tsui was not interested in any Shares within the meaning of Part XV of the SFO and was not related to any directors, senior management, substantial shareholders or controlling shareholders of the Company, and he did not hold any directorship in other listed companies in the last three years. There is no service contract between the Company and Dr. Tsui. Dr. Tsui has no fixed term of service with the Company but will be subject to rotational retirement and re-election requirements at annual general meetings pursuant to the provisions of the Bye-Laws. Dr. Tsui received emoluments of HK\$2,166,000 for the year ended 31 December, 2008 which was determined by the Remuneration Committee of the Company with reference to his duties and responsibilities with the Company, the prevailing market practice and his contribution to the Group. Save as disclosed herein, there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the Shareholders.

Dr. Keung Wing Ching (“Dr. Keung”), aged 57, has been appointed as an Independent Non-executive Director, a member of the Audit Committee and Remuneration Committee of the Company with effect from 1 June, 2006. Dr. Keung holds a Ph.D. in Mechanical Engineering from the University of Birmingham, the United Kingdom. Dr. Keung is a fellow member of the Hong Kong Institution of Engineers and a professional member and chartered engineer of the Institute of Materials, Minerals and Mining (the United Kingdom). Dr. Keung has served and presently still serves on various public and community bodies including Permanent Honorary Chairman of the Hong Kong Diecasting Association, Permanent Honorary Chairman of the Hong Kong Foundry Association, Committee Member of the Hong Kong Q Mark Council and Member of Shandong Provincial Committee of the Chinese People’s Political Consultative Conference. Dr. Keung is currently the Vice Chairman and Chief Executive Officer of Ka Shui International Holdings Limited engaged in the manufacture of diecasting parts and has over 25 years of business experience in the fields of metal forming, critical components manufacturing, new materials properties and related applications and maintains a close working relationship with the Hong Kong manufacturing industries. As at the Latest Practicable Date, Dr. Keung was not interested in any Shares of the Company within the meaning of Part XV of the SFO and was not related to any directors, senior management, substantial shareholders or controlling shareholders of the Company and did not hold any directorship in other listed companies in the last three years. Pursuant to an appointment letter given by the Company to Dr. Keung, Dr. Keung’s term of services with the Company is fixed at two years with effect from 1 June, 2008 unless early termination by either party serving not less than one month’s prior written notice and subject to rotational retirement and re-election requirements at annual general meetings pursuant to the Bye-Laws. Dr. Keung will be entitled to a remuneration of HK\$75,000 per annum which was determined



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## LETTER FROM THE BOARD

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by the Board with reference to the estimated time to be spent by him on the Company's matters and is in line with other Independent Non-executive Directors of the Company. Save as disclosed herein, there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the Shareholders.

### AGM

Set out on pages 12 to 15 of this circular is the Notice of AGM to be held on 26 May, 2009 for the purpose of considering and, if thought fit, passing the resolutions to approve the grant of the General Mandates and the re-election of Directors.

A form of proxy is herewith enclosed for use at the AGM. Whether or not you are able to attend the meeting in person, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the principal place of business of the Company in Hong Kong at 8th Floor, 22-28, Cheung Tat Road, Tsing Yi, Hong Kong as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so desire.

### PROCEDURES FOR POLL VOTING

Pursuant to the Bye-Law 70, a resolution put to the vote of a general meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. A poll may be demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

Pursuant to Rule 13.39(4) of the Listing Rules, at any general meeting, a resolution put to the vote of a meeting shall be decided by poll.

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## LETTER FROM THE BOARD

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Detailed procedures for conducting a poll are set out below and will also be explained at the commencement of the AGM.

The chairman of the AGM will exercise his right under the Bye-Law 70 to demand poll voting on all the resolutions as set out in the Notice of AGM.

For poll voting, every Shareholder present in person or by proxy or, in case of a Shareholder being a corporation, by its duly authorized representative shall have one vote for every fully paid share in accordance with the Bye-Law 76.

Every Shareholder present in person or by proxy or, in case of a Shareholder being a corporation, by its duly authorized representative who is entitled to more than one vote need not use all his/her votes or cast all his/her votes in the same way. That means he/she can cast some of his/her votes in favour of the resolution and some of his/her votes against the resolution.

The branch share registrar of the Company will act as the scrutineer for the poll voting. The scrutineer will distribute a voting slip to every Shareholder in person or a proxy or duly authorized representative of a corporate shareholder on registration of attendance at the AGM.

The chairman will arrange for all the resolutions to be proposed and seconded first and then conduct the voting by poll on each of the resolutions at the end of the AGM.

After completion of the voting slips by the Shareholders, the scrutineer will collect the completed voting slips and then count the votes.

Finally, the chairman will announce the voting results. The results of the poll on all the resolutions as set out in the Notice of AGM in both English and Chinese will be published on the website of the Company at [www.fongs.com](http://www.fongs.com) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) later on the AGM date.

### **RECOMMENDATION**

The Directors are of the opinion that the proposals referred to in this circular are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of all the resolutions relating to the Issue Mandate, the Purchase Mandate and the re-election of Directors to be proposed at the AGM.

### **ADDITIONAL INFORMATION**

Your attention is drawn to the additional information set out in the Appendix to this circular.

Yours faithfully,  
For and on behalf of the Board  
**Fong Sou Lam**  
*Chairman*

The following information is provided to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to approve the grant of the Purchase Mandate to the Directors to exercise the powers of the Company to purchase its own Shares.

**(A) REASONS FOR THE PURCHASE MANDATE**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to have the Purchase Mandate from the Shareholders to enable the Company to purchase its own Shares in the market. Such purchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share of the Company and/or its earnings per Share and will only be made when the Directors believe that such purchases will benefit the Company and the Shareholders.

**(B) FUNDING OF PURCHASES**

Purchases must be funded out of funds legally available for such purpose. The Company may not purchase its own shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Purchases must be made in accordance with the Bye-Laws of the Company and applicable laws of Bermuda. Under Bermuda law, the amount of capital repaid in connection with a share purchase may only be paid out of the capital paid up on the purchased shares or out of the funds of the company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose. Any premium payable on a purchase over the par value of the shares to be purchased must be provided for out of funds of the company otherwise available for dividend or distribution or out of the company's share premium account before the shares are purchased.

**(C) IMPACT ON WORKING CAPITAL OR GEARING POSITION**

As compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December, 2008, the Directors consider that there might be material adverse impact on the working capital and on the gearing position of the Company in the event that the Purchase Mandate was exercised in full during the proposed purchase period. Nevertheless, the Directors do not propose to exercise the Purchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

**(D) DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS**

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) has any present intention, in the event that the Purchase Mandate is approved by the Shareholders, to sell their Shares to the Company or its subsidiaries under the Purchase Mandate.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell their Shares to the Company or its subsidiaries nor have they undertaken not to sell any of the Shares to the Company or its subsidiaries in the event that the Company is authorised to make purchases of Shares.

**(E) UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make purchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Bermuda.

**(F) SHARE CAPITAL**

As at the Latest Practicable Date, the number of Shares in issue was 551,446,285. Subject to the passing of the relevant resolution and on the basis that no further Shares are issued or purchased prior to the AGM, the Company would be allowed under the relevant resolution to purchase a maximum of 55,144,628 Shares.

**(G) PURCHASES OF SHARES MADE BY THE COMPANY**

The Company did not purchase any Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

**(H) SHARE PRICES**

During each of the previous twelve months, the highest and lowest traded prices of the Shares on the Stock Exchange were as follows:

	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2008</b>		
April	4.42	4.28
May	4.32	4.06
June	4.08	3.58
July	3.58	2.93
August	2.95	2.56
September	2.56	1.50
October	1.61	1.25
November	1.34	1.20
December	1.47	1.23
<b>2009</b>		
January	1.59	1.25
February	1.32	1.24
March	1.26	1.20
April (up to the Latest Practicable Date)	1.25	1.08

**(I) TAKEOVERS CODE**

If on exercise of the power to purchase Shares pursuant to the Purchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Fong Sou Lam, Mr. Fong Kwok Leung, Kevin and Mr. Fong Kwok Chung, Bill together with their associates (as defined in the Listing Rules) were interested in aggregate of 356,517,601 Shares, representing approximately 65% of the Shares issued by the Company. In the event the Directors exercised in full the power to purchase Shares pursuant to the Purchase Mandate, the shareholdings of the aforesaid persons, together with their associates in the Company would be increased to approximately 72% of the issued share capital of the Company. The Directors are not aware of any consequence which may arise under the Takeovers Code as a result of any purchase made under the Purchase Mandate. The Company will not purchase Shares if the purchase would result in the number of Shares which are in the hands of the public falling below 25% of the issued share capital of the Company.

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## NOTICE OF ANNUAL GENERAL MEETING

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### FONG'S INDUSTRIES COMPANY LIMITED

立信工業有限公司\*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 641)

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Fong's Industries Company Limited (the "Company") will be held at 8/F., 22-28 Cheung Tat Road, Tsing Yi, Hong Kong on Tuesday, 26 May, 2009 at 11:00 a.m. for the following purposes:

#### ORDINARY BUSINESS

1. To receive and adopt the Audited Consolidated Financial Statements and the Reports of the Directors and of the Independent Auditor for the year ended 31 December 2008.
2. To re-elect Directors and authorise the Board of Directors to fix the Directors' remuneration.
3. To re-appoint Deloitte Touche Tohmatsu as the Auditors and authorize the Board of Directors to fix their remuneration.

As special business, to consider and, if thought fit, passing the following resolutions as ordinary resolutions:

#### SPECIAL BUSINESS

4. "THAT
  - (a) the ordinary resolution passed in the Company's 2008 annual general meeting relating to fixing the maximum number of Directors of the Company at 18 be and is hereby renewed; and
  - (b) the Directors of the Company be authorized to fill any vacancies on the Board of Directors and to appoint additional Directors up to such maximum or such other maximum as may be determined from time to time by shareholders of the Company in addition to those in office at the close of this meeting."

\* For identification purpose only

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## NOTICE OF ANNUAL GENERAL MEETING

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5. **“THAT**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes and other securities of the Company; or (iii) the exercise of options granted under any share option scheme or any similar arrangement for the time being adopted for the grant or issue to eligible persons prescribed thereunder of shares or rights to acquire shares in the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company, shall not exceed twenty (20) per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

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## NOTICE OF ANNUAL GENERAL MEETING

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“Rights Issue” means an offer of shares of the Company or issue of options, warrants or other securities giving the right to subscribe for shares of the Company open for a period fixed by the Directors to holders of shares whose names appear in the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company or, where appropriate, such other securities (subject in all cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

6. **“THAT**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to purchase the shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company which the Company is authorised to purchase pursuant to the approval in paragraph (a) above shall not exceed ten (10) per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:–

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”



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## NOTICE OF ANNUAL GENERAL MEETING

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7. “**THAT** subject to the passing of resolutions numbered 5 and 6 set out in the notice of this meeting, the aggregate nominal amount of shares which are to be purchased by the Company pursuant to the authority granted to the Directors as mentioned in resolution numbered 6 set out in the notice of this meeting shall be added to the aggregate nominal amount of share capital that may be allotted or agreed to be allotted by the Directors pursuant to resolution numbered 5 set out in the notice of this meeting.”

By Order of the Board  
**C. K. Lee**  
*Company Secretary*

Hong Kong, 30 April, 2009

*Notes:*

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of such member. Vote may be given either personally or by proxy. A proxy need not be a member of the Company.
2. A form of proxy in respect of the meeting is enclosed. Whether or not you intend to attend the meeting in person, you are urged to complete and return the form of proxy in accordance with the instructions printed thereon.
3. In order to be valid, a form of proxy together with a power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority must be deposited at the Company's principal place of business in Hong Kong at 8th Floor, 22-28 Cheung Tat Road, Tsing Yi, Hong Kong, not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
4. Where there are joint holders of a share of the Company, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he were solely entitled thereto, but if more than one of such holders are present at the meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for this purpose be deemed joint holders thereof.