



FONG'S INDUSTRIES COMPANY LIMITED

立信工業有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 641)

APPOINTMENT OF EXECUTIVE DIRECTOR

The board of directors (the "Board") of Fong's Industries Company Limited (the "Company" and together with its subsidiaries, the "Group") is pleased to announce that Mr. Peter Rainer Philipp ("Mr. Philipp") has been appointed as an Executive Director of the Company with effect from April 11, 2005.

Mr. Philipp, aged 56, holds a bachelor degree in textile engineering from the University of Reutlingen, Germany. Mr. Philipp has over 30 years of extensive business experience in the sales and marketing of textile dyeing and finishing machinery and is well experienced in the US and European markets. Mr. Philipp is responsible for the business development projects of the Group in the Americas and in Europe.

There is no director's service contract entered into between Mr. Philipp and the Company and he is not remunerated in fee for serving the office as director. Mr. Philipp has no fixed term of director's service with the Company but is subject to retirement and eligible for re-election at the annual general meetings of the Company in accordance with the Bye-Laws of the Company. By verbal agreement between Mr. Philipp and the Group, Mr. Philipp has also held executive posts in two subsidiaries of the Group, namely the Chief Executive Officer of Xorella AG and an Advisory Committee Member of THEN Maschinen GmbH, the verbal agreement does not provide for a specific term of service but is determinable by either party by giving not less than three months' notice (or payment in lieu) and his emolument is determined by the Board from time to time taking into account his time and efforts to be contributed by him to such subsidiary companies. Mr. Philipp has not held any directorship in any listed companies in the past three years prior to the date of his appointment.

Save as disclosed herein, Mr. Philipp does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company and, as at the date hereof, Mr. Philipp does not have any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

The Board would like to express its warm welcome to Mr. Philipp on his joining the Board.

For and on behalf of the Board
Fong Sou Lam
Chairman

Hong Kong, April 11, 2005

As at the date of this announcement, the Board comprises Mr. Fong Sou Lam, Mr. Wan Wai Yung, Mr. Lee Che Chiu, Mr. Fong Kwok Leung, Kevin, Mr. Fong Kwok Chung, Bill, Mr. Mo Yiu Leung, Jerry, Mr. Cheuk Hon Kin, Kelvin, Dr. Tsui Tak Ming, William, Ms. Poon Hang Sim, Blanche, Mr. Tsui Wai Keung and Mr. Peter Rainer Philipp as Executive Directors and Mr. Cheung Chiu Fan, Mr. Lui Chi Lung, Louis and Dr. Yuen Ming Fai as Independent Non-Executive Directors.

* *For identification only*

"Please also refer to the published version of this announcement in the South China Morning Post"