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CHINA HENGTIAN GROUP CO., LTD.

*(Incorporated in the People's Republic of China
with limited liability)*



FONG'S INDUSTRIES COMPANY LIMITED

立信工業有限公司*

*(Incorporated in Bermuda with limited liability)
(Stock Code: 641)*

JOINT ANNOUNCEMENT

**DESPATCH OF THE COMPOSITE DOCUMENT RELATING TO THE
MANDATORY UNCONDITIONAL CASH OFFER BY CITIGROUP GLOBAL
MARKETS ASIA LIMITED ON BEHALF OF CHINA HENGTIAN GROUP
CO., LTD. TO ACQUIRE ALL THE ISSUED SHARES IN THE SHARE
CAPITAL OF FONG'S INDUSTRIES COMPANY LIMITED (OTHER THAN
THOSE SHARES ALREADY OWNED OR AGREED TO BE ACQUIRED BY
CHINA HENGTIAN GROUP CO., LTD. OR PARTIES ACTING IN CONCERT
WITH IT (OTHER THAN MR.FONG SOU LAM))**

**Financial Adviser to China Hengtian
Group Co., Ltd.**



Financial Adviser to Mr. Fong Sou Lam



Reference is made to the joint announcements made by China Hengtian Group Co., Ltd. and Fong's Industries Company Limited (the "**Company**") dated January 14, 2011, February 14, 2011 and May 6, 2011 (the "**Joint Announcements**"). Capitalised terms not otherwise defined in this announcement shall have the same meaning as in the Joint Announcements.

DESPATCH OF THE COMPOSITE DOCUMENT

The composite document relating to the Offer (the "**Composite Document**") setting out, among other things, (a) the letter from Citigroup Global Markets Asia Limited as financial adviser to the Offeror and which sets out the terms of the Offer; (b) information on the Group; (c) the letter from the independent board committee of the Company containing its recommendation to the independent shareholders of the

Company in respect of the Offer; and (d) the letter from Investec Capital Asia Limited (formerly known as Access Capital Limited), the independent financial adviser to the independent board committee of the Company, containing its recommendation and advice to the independent board committee of the Company in respect of the Offer, and the form of acceptance and transfer (the “**Form of Acceptance and Transfer**”) will be despatched to the Shareholders on May 13, 2011 in accordance with the Takeovers Code.

EXPECTED TIMETABLE

The expected timetable of the Offer is set out as below:

Despatch date of the Composite Document and the commencement of the Offer ⁽¹⁾	May 13, 2011
Latest time and date for acceptance of the Offer ⁽²⁾⁽³⁾	4:00 p.m. on June 3, 2011
Closing date of the Offer ⁽²⁾	June 3, 2011
Announcement of the results of the Offer, or as to whether the Offer has been revised or extended, on the website of the Stock Exchange ⁽²⁾	By 7:00 p.m. on June 3, 2011
Latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances received under the Offer ⁽⁴⁾	June 13, 2011

Notes:

- (1) The Offer is made on May 13, 2011, being the date of posting of the Composite Document, and is capable of acceptance on and from that date until the close of the offer period, being the period from January 14, 2011 to 4:00 p.m. on June 3, 2011, or such later time and/or date to which the Offeror may decide to extend the Offer in accordance with the Takeovers Code.
- (2) The Offer, which is unconditional, will close on June 3, 2011 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror reserves the right to extend the Offer in accordance with the Takeovers Code. An announcement will be posted on the website of the Stock Exchange by 7:00 p.m. on June 3, 2011 stating whether the Offer has been revised or extended or has expired. Acceptances tendered after 4:00 p.m. on June 3, 2011 will only be valid if the Offer is revised or extended before 7:00 p.m. on June 3, 2011. If the Offeror decides to extend the Offer, at least 14 days’ notice in writing will be given to those Shareholders who have not yet accepted the Offer before the Offer is closed. If, in the course of the Offer, the Offeror revises the terms of the Offer, all Shareholders, whether or not they have already accepted the Offer, will be entitled to the revised terms. A revised Offer must be kept open for at least 14 days following the date on which the revised offer document is posted.
- (3) Acceptance of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code. Please refer to paragraph 4 headed “Right of Withdrawal” in Appendix I to the Composite Document for further information on the circumstances where acceptances may be withdrawn.

- (4) Remittances in respect of the consideration payable for the Shares tendered under the Offer will be despatched by ordinary post to the relevant Shareholders or, in the case of joint Shareholders, to the Shareholder whose name stands first in the register of members of the Company (unless otherwise specified in the relevant Form of Acceptance and Transfer), at their own risk to their respective addresses as they appear on the register of members of the Company as soon as possible but in any event within 10 days of the date of the receipt by the Registrar of the duly completed Form of Acceptance and Transfer and all requisite documents from the relevant Shareholder accepting the Offer. Please refer to the paragraph headed “Acceptance and Settlement – Settlement” in the “Letter from Citigroup” in the Composite Document for further information in relation to the settlement of the Offer.

All time references contained in this joint announcement are to Hong Kong time and dates. The expected timetable above is indicative only and further announcement(s) will be made in the event of any changes to the timetable.

By order of the board of
China Hengtian Group Co., Ltd.
Zhang Jie
Chairman

By order of the Board of
Fong's Industries Company Limited
C.K. Lee
Company Secretary

Hong Kong, May 13, 2011

As at the date of this announcement, the directors of the Offeror are Zhang Jie, Liu Haitao, Yang Yongyuan, Sun Lishi, Zhou Mingchen, Ren Chuanjun, Wang Zhenhou, Gao Shixing and Chen Tianli.

As at the date of this announcement, the board of the Company comprise ten Directors, of which seven are Executive Directors, namely 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 and Ms. Poon Hang Sim, Blanche; and three are Independent Non-executive Directors, namely Mr. Cheung Chiu Fan, Dr. Yuen Ming Fai and Dr. Keung Wing Ching.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Directors relating to the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of the Offeror relating to the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

* For identification purpose only