



TONIC INDUSTRIES HOLDINGS LIMITED

東力實業控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 978)

CHANGE OF CHIEF EXECUTIVE OFFICER CHANGE OF COMPANY SECRETARY

The board of Directors (the “Board”) of Tonic Industries Holdings Limited (the “Company”) is pleased to announce the following with effect from 1 October 2006:

- Mr. Ling Siu Man, Simon (“Mr. Ling”) had tendered his resignation as Managing Director of the Company. Mr. Ling shall remain as Chairman of the Board of the Company; and
- Mr. Liu Hoi Keung, Gary (“Mr. Liu”), an Executive Director, was appointed as the Chief Executive Officer of the Company. Mr. Liu had tendered his resignation as the Company Secretary of the Company; and
- Ms. Wong Pui Shan, Cammy (“Ms Wong”) was appointed as the Company Secretary of the Company.

Following the appointment of Mr. Liu as the Chief Executive Officer, the roles of the Chairman and Chief Executive Officer will be separated in compliance with the Code Provision A.2.1 contained in Appendix 14 of The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”).

Mr. Ling, aged 56, is the Chairman and Executive Director of the Company. Mr. Ling founded the business of the Company in 1976 and has over 30 years experience in the electronics industry. Mr. Ling is responsible for the strategic planning and setting of corporate policy of the Company. In addition, he continues to be involved in the business development of the Company.

Mr. Liu, aged 41, joined the Company in 1997. He is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. He also holds a Master of Science Degree from the University of Hong Kong. Prior to joining the Company, he has over nine years experience in accounting, auditing and taxation.

Mr. Liu has entered into a service contract for a term of three years with the Company and he is subject to retirement by rotation. Under the service contract, Mr. Liu is entitled to (i) a fixed director’s fee of HK\$300,000 per annum (ii) a fixed salary at the annual rate of HK\$2,058,000 and (iii) year-end bonus which is on performance basis. The remuneration package is determined by the Board by reference to his experience and duties.

As at the date of this announcement, Mr. Liu has interest in 3,706,000 shares (representing approximately 0.39% of the issued share capital of the Company) within the meaning of Part XV of the Securities and Futures Ordinance. He is not connected with any other Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

Ms. Wong received her Bachelor of Arts Degree (Hons) in Accountancy from the Hong Kong Polytechnic University. She is a member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators. Prior to joining the Company in 2002, she had served with an international audit firm for four years.

Saved as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the shareholders of the Company in relation to change of the Chief Executive Officer and change of the Company Secretary nor is there any information need to be disclosed pursuant to the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(x) of the Listing Rules.

On behalf of the Board
TONIC INDUSTRIES HOLDINGS LIMITED
LING Siu Man, Simon
Chairman

Hong Kong, 1 October 2006

As at the date of this announcement, the Board of Directors comprises seven Executive Directors – Mr. LING Siu Man, Simon, Mr. LEE Ka Yue, Peter, Mr. WONG Ki Cheung, Ms. LI Fung Ching, Catherine, Mr. AU Wai Man, Mr. LIU Hoi Keung, Gary and Mr. LAM Kwai Wah, one Non-Executive Director – Mr. WONG Wai Kwong, David and three Independent Non-Executive Directors – Mr. PANG Hon Chung, Mr. CHENG Tsang Wai and Dr. CHUNG Hing Wah, Paul.

* *For identification only*

*Please also refer to the published version of this announcement in
The Standard and Hong Kong Economic Times.*