



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)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR AND AUDIT COMMITTEE MEMBER

The board of Directors of Tonic Industries Holdings Limited announces that Dr CHUNG Hing Wah, Paul has been appointed as an Independent Non-Executive Director and a member of the Audit Committee of the Company with effect from 26 June 2006.

The board of Directors (the “Board”) of Tonic Industries Holdings Limited (the “Company”) announces that Dr CHUNG Hing Wah, Paul (“Dr CHUNG”) has been appointed as an Independent Non-Executive Director and a member of the Audit Committee of the Company with effect from 26 June 2006.

Dr CHUNG Hing Wah, Paul, aged 60, has over 35 years’ experience with public service in administration, operation, discipline, nursing and management. He also has over 15 years’ experience in training and development and management consultancy with various local and PRC Mainland providers and corporations. Apart from being appointed as the consultant or principal consultant of many major local and PRC training providers, he is also the director and principal consultant of PC Consultancy Ltd. Dr CHUNG holds degrees of MBA and DBA. Dr CHUNG has now been appointed as an Independent Non-Executive Director and a member of the Audit Committee of the Company. Other than that, he does not hold any position with the Company or any member of the Group and he has not been appointed as any directorship in any listed companies in the last three years.

Pursuant to the letter of appointment issued by the Company to Dr CHUNG, Dr CHUNG has been initially appointed for a term of three years commencing from 26 June 2006, subject to the retirement by rotation and re-election provisions under the articles of association of the Company. Dr CHUNG is entitled to receive a fixed director’s fee of HK\$60,000 and Audit Committee member’s fee of HK\$28,000 per annum, which is determined by reference to the office duties and time spent.

Dr CHUNG does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) or controlling shareholders (as defined in the Listing Rules) of the Company.

As at the date of this announcement, Dr CHUNG is not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the Securities and Futures Ordinance.

Saved as disclosed above, in relation to the appointment of Dr CHUNG as an Independent Non-Executive Director, there is no information which is discloseable nor is/was he involved in any other matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the shareholders of the Company.

The Board also refers to the Company's announcement dated 3 April 2006 and confirms that the Company, upon appointment of Dr CHUNG as an Independent Non-Executive Director, has complied with rule 3.10(1) of the Listing Rules which requires the Board must include at least three Independent Non-Executive Directors.

By order of the Board
TONIC INDUSTRIES HOLDINGS LIMITED
LING Siu Man, Simon
Chairman & Managing Director

Hong Kong, 26 June 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 purposes only*

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