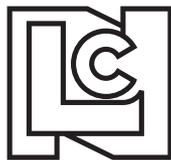


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NGAI LIK INDUSTRIAL HOLDINGS LIMITED
(毅力工業集團有限公司) *

(Incorporated in Bermuda with limited liability)

(Stock Code: 332)

**ANNOUNCEMENT IN RELATION TO
COMPLETION OF THE CAPITAL REORGANISATION,
THE GROUP REORGANISATION AND THE SUBSCRIPTION
AND
APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

**COMPLETION OF THE CAPITAL REORGANISATION, THE GROUP REORGANISATION
AND THE SUBSCRIPTION**

The Board is pleased to announce that all conditions precedent to the Subscription Agreement have been fulfilled or waived on 11 January 2010, and therefore on the same day, completion of the Capital Reorganisation, the Group Reorganisation and the Subscription took place and the Scheme became effective.

As a result of the Completion and pursuant to Rule 26.1 of the Takeovers Code, the Subscriber is required to make the Offer for all the issued Shares other than those already owned by or agreed to be acquired by the Concert Group. Somerley Limited will, on behalf of the Subscriber, make the Offer at HK\$0.012 in cash per Share for all the issued Shares other than those already owned by or agreed to be acquired by the Concert Group.

The Composite Document will be despatched to the Shareholders on or before 18 January 2010 in accordance with the Takeovers Code. Further announcement will be made after the Composite Document has been despatched.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Board announces that Veda Capital Limited has been appointed as the independent financial adviser to advise the independent board committee of the Company in respect of the Offer and the appointment has been approved by the independent board committee of the Company.

COMPLETION OF THE CAPITAL REORGANISATION, THE GROUP REORGANISATION AND THE SUBSCRIPTION

Reference is made to the joint announcements dated 24 February 2009, 11 March 2009, 28 April 2009, 31 July 2009, 28 August 2009, 30 September 2009, 27 October 2009, 4 November 2009 and 11 December 2009 issued by the Board and the board of directors of the Subscriber and the announcements dated 17 March 2009, 23 March 2009, 13 July 2009 and 3 December 2009 and the circular dated 30 September 2009 (the “Circular”) issued by the Board with regards to, among other things, the Group Reorganisation, the Creditor Scheme and the Subscription Agreement, respectively. Unless otherwise stated, terms defined in the Circular have the same meanings when used in this announcement.

The Board is pleased to announce that the Bermuda Court and the Hong Kong Court sanctioned the Scheme at the court hearings held on 18 December 2009 and 21 December 2009, respectively, and that all conditions precedent to the Subscription Agreement have been fulfilled or waived on 11 January 2010. Accordingly, on the same day, completion of the Capital Reorganisation, the Group Reorganisation and the Subscription took place and the Scheme became effective.

While the par value of each existing Share has become HK\$0.01 following completion of the Capital Reorganisation on 11 January 2010, existing certificates for the Shares with the old par value of HK\$0.10 will continue to be good evidence of legal title and be acceptable for dealing purposes.

Upon Completion, the Concert Group became interested in 7,137,150,000 Shares, representing approximately 90.0% of the enlarged issued share capital of the Company. Pursuant to the Subscription Agreement, the Subscriber has subscribed for 7,137,150,000 Subscription Shares at the Share Consideration of HK\$83,500,000, representing approximately HK\$0.011699 per Subscription Share. Pursuant to Rule 26.1 of the Takeovers Code, the Subscriber is required to make an unconditional mandatory cash offer (the “Offer”) for all the issued Shares, other than those already owned by or agreed to be acquired by the Concert Group. Somerley Limited will, on behalf of the Subscriber, make the Offer at HK\$0.012 in cash per Share for all the issued Shares other than those already owned by or agreed to be acquired by the Concert Group.

The composite offer document (the “Composite Document”) in respect of the Offer will be despatched to the Shareholders on or before 18 January 2010 in accordance with the Takeovers Code. Further announcement will be made after the Composite Document has been despatched.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Board announces that Veda Capital Limited has been appointed as the independent financial adviser to advise the independent board committee of the Company in respect of the Offer and the appointment has been approved by the independent board committee of the Company.

By Order of the Board
Ngai Lik Industrial Holdings Limited
Lam Man Chan
Executive Director

Hong Kong, 11 January 2010

As at the date of this announcement, the executive directors of the Company are Dr. Lam Man Chan, Ms. Ting Lai Ling, Ms. Ting Lai Wah, Mr. Yeung Cheuk Kwong and Mr. Lam Shing Ngai, and the independent non-executive directors of the Company are Mr. Ng Chi Yeung, Simon and Mr. Tam Yuk Sang, Sammy and Mr. Ho Lok Cheong.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this announcement 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 such statements in this announcement misleading.

* *For identification purpose only*