

## **FP Group Creates Chinese Design Firm that Will Boost Revenues**

Hong Kong, February 1, 2005 (PRIMEZONE) – FP GROUP, LTD. (Pink Sheets: FPGR) announced today that it has set up a new design firm to serve Asian clients.

After a year of discussions and planning with its partners, FP Group, Ltd. (“FPG”) has finally reached an agreement with its designer partners to create a new design house partnership in Hong Kong. The new firm will mainly provide professional design services to clients in Hong Kong and China. FPG owns 60% of the firm's equity interest and the rest belongs to two other design firms. One of the partners, JP & Associates, is a medium-sized firm founded in Hong Kong with branches in Hong Kong and Guangzhou, China.

FPG President Mr. Leo Wong stated that, *"The new design partnership will allow us to capture revenues that formerly were being paid by clients to outside design firms. It also will provide better control over FPG's considerable flow of design work and allow us to offer true one-stop service. We estimate that the new design business will bring in additional revenue of US\$2.5 Million annually, beginning in the current fiscal year, with a profit margin as high as 70%. Our customers also will benefit from the new design business, since the move eliminates substantial transportation costs and reduces outsourcing costs for them."*

Mr. Wong added that, *"From the initial 5 designers hired, we have decided to increase the design staff to 15 in view of the flow of design work already in the pipeline and waiting to be scheduled."*

FPG's eventual objective for the new firm is to design other kinds of consumer products besides paper products, such as stationery, ceramic cups and calendars, which are natural complements to the product lines FPG already offers.

About FP Group, Ltd.:

FPG is a Peoples Republic of China-based company providing a full range of logistical management in the printing and packaging industry. FPG provides a one-step service including consultation, design, sourcing, printing, assembly and delivery of packaging needs. FPG's products include items for which they hold design patents in the PRC. For more information, please visit our corporate website: [www.fpgroup.com.hk](http://www.fpgroup.com.hk)

FPG is continually developing new design and packaging concepts. Growth of FPG will come from additional business with its current customer base and attracting new customers as a result of the services and products they offer. FPG intends to take advantage of its market position by seeking other firms for the possibility of merger or acquisition.

Statement under the Private Securities Litigation Reform Act:

With the exception of the historical information contained in this release, statements above describing objectives or goals or our future plans are forward-looking statements and are subject to certain risks and uncertainties, including among other factors the ability of FPG to increase revenues in the future, the ability to maintain a positive cash flow, and the ability to retain existing customers and obtain new customers, its ability to create and market new packaging concepts, the printing and packaging business in general, future governmental regulation as well as other factors which could cause actual results or revenues to differ materially from those contemplated by these statements.

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