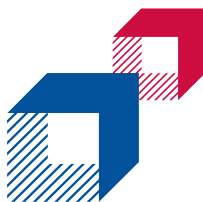


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TACK FAT GROUP INTERNATIONAL LIMITED

德發集團國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 928)

DISCLOSURE UNDER RULE 13.18 TO THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED

This announcement is made in compliance with Rule 13.18 to the Listing Rules.

Under Rule 13.18 to the Listing Rules, a general disclosure obligation will arise where an issuer (or any of its subsidiaries) enters into a loan agreement that includes a condition imposing specific performance obligations on any controlling shareholder and the breach of which will cause a default in respect of the loans that are significant to the operation of the issuer.

The Borrower, a wholly-owned subsidiary of the Company, entered into a 3-year transferable term loan facility agreement with several banks pursuant to which the Loan Facility of up to HK\$480,000,000 were granted by eleven banks to the Borrower. It is a condition of the Loan Facility that Mr. Kwok, the controlling shareholder of the Company, or his family members must remain as the single largest shareholder of the Company or jointly hold at least 30 per cent. of the beneficial shareholding interests in the Company throughout the life of the Loan Facility.

Accordingly, the Company is under a general obligation to disclose the details of the Loan Facility.

This announcement is made in compliance with the disclosure requirements under Rule 13.18 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The directors of Tack Fat International Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) make the following disclosures in compliance with Rule 13.18 to the Listing Rules.

Tack Fat Swimwear Manufacturing Limited (the “**Borrower**”), a wholly-owned subsidiary of the Company, entered into a 3-year transferable term loan facility agreement between the Borrower and eleven banks with the Company as the guarantor on 9 February 2006 pursuant to which the banks agreed to make available to the Borrower, a transferable term loan facility of up to HK\$480,000,000 (the “**Loan Facility**”). The Loan Facility drawn shall bear interest at the rate of 0.65% over HIBOR (the Hong Kong Inter-Bank Offer Rate) per annum for the relevant period and shall be repaid in three installments on the dates falling 24 months, 30 months and 36 months after the date of the term loan facility agreement in the percentage of 20%, 30% and 50% of the drawn Loan Facility respectively. No other securities of the Group is required to be provided under the Loan Facility.

The Company intends to apply the funds from the Loan Facility to refinance the principal outstanding under the facility granted to the Borrower under a loan facility agreement dated 2 March 2004 (the “**Existing Loan**”), funding for capital expenditure on existing business of the Group and for general working capital requirement. As at 31 December 2005, the outstanding principal amount of the Existing Loan of the Group amounted to HK\$400 million.

It is one of the conditions of the Loan Facility that Mr. Kwok Wing (“**Mr. Kwok**”), the chairman of the board of directors of the Company and the controlling shareholder (as defined in the Listing Rules) of the Company and his family members must remain as the single largest shareholder of the Company or jointly hold at least 30 per cent. of the beneficial shareholding interests in the Company throughout the life of the Loan Facility. A breach of the aforesaid condition will constitute an event of default under the Loan Facility and no further advance will be allowed and all amounts outstanding under the Loan Facility will immediately become due and payable.

As at the date hereof, Mr. Kwok and his family members beneficially own approximately 50.27 per cent. of the issued share capital of the Company.

By order of the board of directors
Kwok Wing
Chairman

Hong Kong, 9 February 2006

As at the date of this announcement, the executive directors of the Company are Mr. Kwok Wing, Mr. Lee Yuk Man, Mr. Ho Yik Kin, Norman and Mr. Kwok Kam Chuen, and the independent non-executive directors of the Company are Mr. Leung Yiu Wing, Eric, Mr. Ching Kwok Ho, Samuel and Mr. Heng Kwo Seng.

Please also refer to the published version of this announcement in China Daily.