TACK FAT GROUP INTERNATIONAL LIMITED

(Provisional Liquidators Appointed)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00928)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2010

INTERIM RESULTS

The joint and several provisional liquidators (the "Provisional Liquidators") of Tack Fat Group International Limited (Provisional Liquidators Appointed) (the "Company") announce the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 September 2010 together with comparative figures for the six months ended 30 September 2009 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2010
(Amounts expressed in Hong Kong dollars)

	Notes	Unaudited Six months ended 30 September **2010** **$'000**	2009 $'000
Turnover	*4*	**22,788**	21,435
Cost of sales		**(12,782)**	(12,984)
Gross profit		**10,006**	8,451
Other revenue	*6(c)*	**1,386**	1,557
Distribution costs		**(18,793)**	(24,559)
Administrative and other operating expenses	*5*	**(73,974)**	(5,723)
Loss from operations		**(81,375)**	(20,274)
Finance costs	*6(a)*	**(17,759)**	(5,783)
Loss before tax	*6*	**(99,134)**	(26,057)
Income tax	*7*	**–**	–
Loss for the period		**(99,134)**	(26,057)
Other comprehensive income:			
Exchange differences on translating foreign operations		**266**	–
Total comprehensive income for the period		**(98,868)**	(26,057)
Loss for the period attributable to:			
Owners of the Company		**(98,652)**	(23,834)
Non-controlling interests		**(482)**	(2,223)
		(99,134)	(26,057)
Total comprehensive income for the period attributable to:			
Owners of the Company		**(98,386)**	(23,834)
Non-controlling interests		**(482)**	(2,223)
		(98,868)	(26,057)
Dividends payable to equity shareholders of the Company	*8*	**Nil**	Nil
Basic loss per share	*9*	**(4.45 cents)**	(1.08 cents)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2010

(Amounts expressed in Hong Kong dollars)

	Notes	Unaudited 30 September 2010 $'000	Audited 31 March 2010 $'000
Non-current assets			
Property, plant and equipment		**2,606**	3,282
Current assets			
Inventories		**5,785**	7,830
Trade and other receivables	*11*	**32,395**	28,273
Escrow money		**1,489**	352
Cash and cash equivalents		**5,707**	12,687
		45,376	49,142
Current liabilities			
Trade and other payables	*12*	**79,722**	80,692
Provision for bank loan guarantees for subsidiaries	*13(i)*	**917,873**	846,121
Other borrowings	*13(ii)*	**52,390**	52,390
Convertible bonds		**121,557**	121,557
Loans from the Investor		**21,200**	36,400
Amounts due to deconsolidated subsidiaries		**235,398**	209,956
Tax payable		**2,646**	1,954
		1,430,786	1,349,070
Net current liabilities		**(1,385,410)**	(1,299,928)
NET LIABILITIES		**(1,382,804)**	(1,296,646)
EQUITY			
Share capital		**221,261**	221,261
Deficiency		**(1,647,761)**	(1,563,065)
Total equity attributable to owners of the Company		**(1,426,500)**	(1,341,804)
Non-controlling interests		**43,696**	45,158
		(1,382,804)	(1,296,646)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2010

1 ORGANIZATION AND OPERATION

Tack Fat Group International Limited (Provisional Liquidators Appointed) (the “Company”, together with its subsidiaries, the “Group”) was incorporated in the Cayman Islands on 12 March 2001. The address of its registered office is Century Yard, Cricket Square, Hutchins Drive, George Town, Grand Cayman, Cayman Islands, British West Indies. The principal place of business is 14th Floor, The Hong Kong Club Building, 3A Chater Road, Central, Hong Kong. The shares of the Company were listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 29 April 2002 and have been suspended from trading since 30 July 2008.

The Company is principally engaged in investment holding. The Group is principally engaged in apparel retailing business in the People’s Republic of China (the “PRC”).

The Company’s functional currency is Renminbi. The condensed consolidated financial statements are presented in Hong Kong dollars as the Hong Kong dollars is considered the most appropriate presentation currency in view of the Company’s past practice.

These condensed consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand ($’000) except otherwise indicated.

2 BASIS OF PRESENTATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34: “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the same accounting policies as those adopted in the annual financial statements for the year ended 31 March 2010. These unaudited condensed consolidated interim financial statements should be read in conjunction with the Annual Report 2010 of the Company.

The interim financial report is unaudited and has only been reviewed by the audit committee of the Company but not the auditors.

Going concern

As at 30 September 2010, the Group had unaudited consolidated net current liabilities of approximately HK$1,385.41 million (31 March 2010: approximately HK$1,299.93 million) and unaudited consolidated net liabilities of approximately HK$1,382.80 million (31 March 2010: approximately HK$1,296.65 million). The Group had a net loss attributable to equity holders of the Company for the six months ended 30 September 2010 of approximately HK$98.65 million (six months ended 30 September 2009: approximately HK$23.83 million).

On 11 September 2008, pursuant to a court order, Mr. Fok Hei Yu and Mr. Roderick John Sutton, both of FTI Consulting (Hong Kong) Limited ("FTI Consulting"), were appointed as the provisional liquidators to the Company (the "Provisional Liquidators") as a result of the Company's self petition for winding up and Bank of America N.A.'s application to support the winding up petition against the Company. Upon the appointment of the Provisional Liquidators, the powers of the directors of the Company were suspended with regard to the affairs and business of the Company.

As at 30 September 2010, the Company has obtained approval in principal for the resumption of trading in the Company's shares by the Stock Exchange and pending execution and fulfillment of the resumption conditions as set out by the Stock Exchange.

The restructuring proposal submitted by Radford Developments Limited (the "Investor") dated 2 December 2008 has been accepted by the Provisional Liquidators and, in principle, by the major creditors of the Group. On 12 January 2009, an exclusivity and escrow agreement was entered into amongst the Provisional Liquidators, Ferrier Hodgson Limited (currently FTI Consulting) (as the escrow agent) and the Investor. Pursuant to the exclusivity and escrow agreement, the Provisional Liquidators granted the Investor an exclusive right up to 11 July 2009 to negotiate a legally binding agreement for the implementation of the restructuring proposal. As a result, the Investor provided (i) a sum of HK$10 million as working capital loan to the Group to meet its working capital requirements; and (ii) a sum of HK$6.4 million to the Group as professional fees in relation to the Group's restructuring. On 8 July 2009, the Provisional Liquidators and the Investor entered into a side letter to extend the exclusivity period by a 6-month period to 12 January 2010. On 11 August 2009, the Investor and the Provisional Liquidators entered into a revolving loan facility agreement, pursuant to which, the Investor consented to provide an additional working capital loan for the Group's retail operating entity in the PRC for an aggregate amount equal to HK$15 million (the "Working Capital Facility"). On 20 January 2010, a further sum of HK$5 million was provided by the investor to meet the funding requirement of the PRC business (the "Additional Funding"). On 28 April 2010, the Company settled the obligations under the Working Capital Facility and the Additional Funding.

The Provisional Liquidators have appointed Asian Capital (Corporate Finance) Limited ("Asian Capital") as financial advisor to the Company with a view to restructuring the Company and submitting a viable resumption proposal to the Stock Exchange. The Company on 20 July 2009 submitted a resumption proposal (the "Resumption Proposal") to the Stock Exchange. On 9 April 2010, the Company was informed by the Stock Exchange in a letter that trading in the Shares will be resumed subject to the satisfaction of the following conditions by 8 October 2010:

1. complete the open offer, subscription of convertible bonds and all other transactions in the Resumption Proposal;

2. publish a circular containing (i) detailed disclosure of the Resumption Proposal comparable to prospectus standard; (ii) profit forecast for each of the two years ending 31 March 2012 which should be prepared by the Directors (including proposed Directors) after due and careful enquiry; and (iii) pro forma statement of financial position upon completion of the Resumption Proposal;

3. provide comfort letter from the auditors or the financial advisor relating to working capital sufficiency for the next 12 months from the latest practicable date before expected resumption date; and

4. undertake to (i) appoint an independent professional advisor to conduct follow-up reviews on the internal control procedures within 6 months from resumption date; and (ii) disclose the review results in subsequent financial reports.

The Stock Exchange may modify the resumption conditions if the Company's situation changes.

On 7 June 2010, the Company announced that a formal agreement (the "Restructuring Agreement") for the proposed restructuring of the Group, involving capital reorganisation, debt restructuring, subscription of convertible bonds and offer of new shares, was entered into on 26 May 2010 among the Company, the Provisional Liquidators, the Investor and Ferrier Hodgson Limited (currently FTI Consulting (Hong Kong) Limited) (the "Escrow Agent"). The principal elements of the restructuring proposal are as follows:

a) *Capital Reorganisation*

The Company will undergo Capital Reorganisation, involving capital reduction, share consolidation, capital cancellation and authorised share capital change.

b) *Open offer of new shares*

Pursuant to the Restructuring Agreement, the Company will take necessary steps to implement the offer of a total of 15,001,474,104 new shares on the basis of 339 offer shares for every 5 new shares upon the capital restructuring held on the record date by the qualifying shareholders in order to raise approximately HK$150 million (the "Open Offer").

c) *Subscription of convertible bonds*

Pursuant to the Restructuring Agreement upon the capital restructuring, the Investor will subscribe for the convertible bonds issued by the Company with principal amount of HK$100 million and tenure of three years bearing no interest and convertible into new shares at the option of the bondholders at a conversion price of HK$0.01 per share (the "Investor Convertible Bonds").

d) *Debt Restructuring*

Pursuant to the Restructuring Agreement, the Company will apply to the High Court of Hong Kong and the Grand Court of the Cayman Islands (the "Cayman Court") for orders convening the creditors' meetings to consider the Hong Kong and the Cayman Islands schemes of arrangement (collectively as the "Schemes") between the Company and the creditors in order to effect the debt restructuring pursuant to which (a) the Company's indebtedness (including but not limited to any guarantee or indemnity given by the Company) will be compromised, discharged and settled; (b) the creditors of the Company (the "Scheme Creditors"), other than creditors which held a preferential claim against the Company, will receive a pro rata distribution of five sevenths of the convertible bonds to be issued by the Company with principal amount of HK$20 million and tenure of one year bearing an interest rate of 2% per annum and convertible into new shares of the Company at the option of the bondholders at a conversion price of HK$0.01 per share (the "Creditors Convertible Bonds"); and (c) the Company will transfer or procure the transfer to the scheme administrators of the Schemes for distribution to the Scheme Creditors of the follows:

(i) five sevenths of the cash consideration of HK$50 million, which is funded by the Company out of the gross proceeds from the subscription of the Investor Convertible Bonds;

(ii) any cash held by or for the account of the Company at completion of the restructuring; and

(iii) all rights, title and interest in the companies transferred to Key Winner Holdings Limited ("Key Winner") by Ever Century Holdings Limited ("Ever Century") on or about 29 May 2009, and any other assets in the Group other than the assets which will remain for continuing operation of the Group.

On 20 August 2010, the Stock Exchange agreed the extension of the time for the satisfaction of the Resumption Condition to 15 December 2010.

On 24 August 2010, the parties to the Restructuring Agreement entered into the Supplemental Restructuring Side Letter to extend the long stop date to 15 December 2010 and include the approval of special deal by the Company's shareholders and consent being granted by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong in addition to the existing conditions under the Restructuring Agreement.

On 31 August 2010, the Company despatched the Circular to the Shareholders notifying the proposed restructuring of the Company which comprise (a) the proposed Open Offer; (b) the subscription of Investor Convertible Bonds and the Creditors Convertible Bonds; (c) the application of whitewash waiver; (d) the approval of the special deal; and (e) the appointment of new directors to the Company.

On 15 September 2010, an extraordinary general meeting in relation to the implementation of the terms under the Circular was convened on 15 September 2010 (the "EGM") and the resolutions to approve the proposed Open Offer, the subscription of the Investor Convertible Bonds and the Creditors Convertible Bonds, the application of whitewash waiver and the approval of the special deal (collectively as the "Ordinary Resolutions") were not passed by the majority of the shareholders attending and eligible to vote at the meeting.

Subsequent to the EGM, the Provisional Liquidators have been informed that two entities holding a beneficial interest in not less than 28.68% in aggregate of the existing issued share capital of the Company as at the date of the EGM (the "Dissenting Shareholders") caused the legal holder to vote against the Ordinary Resolutions at the EGM.

Based on the information and evidence collected from their investigation, the Provisional Liquidators believe that implementation of the Restructuring Agreement is in the best interests of all of the shareholders, and that in causing the legal holder to vote against the Ordinary Resolutions referred to above, the Dissenting Shareholders have not exercised their votes in the best interests of the shareholders as a whole.

The Company has filed proceedings in the Grand Court of the Cayman Islands (the "Proceedings") against the Dissenting Shareholders and the legal holder in order to have the relevant votes cast at the EGM set aside, and declared to be void and of no effect on the basis that they were not properly exercised.

Meanwhile, the Investor has indicated an intention to make a new proposal for the restructuring of the Company. The Provisional Liquidators and their professional advisors are now dealing with the regulatory issues arising from the new proposal, under which the shareholders may be asked to vote on new Ordinary Resolutions.

On 8 November 2010, the Investor, the Provisional Liquidators and FTI Consulting entered into a revolving loan facility agreement pursuant to which the Investor consented to make available to the Company a revolving facility in an aggregate amount of HK$15 million for the retail operation of the Company in the PRC.

The financial statements have been prepared on a going concern basis on the basis that the proposed restructuring of the Company will be successfully completed, and that, following the restructuring, the Group will continue to meet in full its financial obligations as they fall due in the future.

In the opinion of the Provisional Liquidators, the financial statements for the six months ended 30 September 2010, which have been prepared on the going concern basis, present fairly the results and state of affairs of the Group.

Should the Group be unable to achieve a successful restructuring and to continue its business as a going concern, adjustments would have to be made to the financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

3 APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Impact of New and Revised HKFRSs (Which Also Include HKASs and Interpretations)

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2010, except for the adoption of the new standards and interpretations as noted below.

HKFRS 1 (Revised)	*First-time Adoption of Hong Kong Financial Reporting Standards*
HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Additional Exemptions for First-time Adopters*
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Group Cash-settled Share-based Payment Transactions*
HKFRS 3 (Revised)	*Business Combinations*
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements*
HKAS 32 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation – Classification of Rights Issues*
Amendments to HKFRS 5 included in *Improvements to HKFRSs* issued in October 2008	Amendments to HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations – Plan to Sell the Controlling Interest in a Subsidiary*
HKAS 39 Amendment	Amendments to HKAS 39 *Financial Instruments: Recognition and Measurement-Eligible Hedged Items*
Annual Improvements Project	*Improvements to HKFRSs 2009*
HK Interpretation 4	*Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases*
HK(IFRIC)-Int 17	*Distributions of Non-cash Assets to Owners*

The adoption of the above new standards and interpretations has had no material effect on the accounting policies of the Group and the methods of computation in the interim condensed consolidated financial statements.

4 TURNOVER

The principal activity of the Group is the retail and concessionaire sales of garments. Turnover represents the aggregate of the invoiced value of goods sold and is stated after deducting goods returned, trade discounts and sales tax.

5 ADMINISTRATIVE AND OTHER OPERATING EXPENSES

	Unaudited Six months ended 30 September	
	2010	2009
	$'000	*$'000*
Other operating expenses	**9,368**	4,060
Restructuring costs and charges	**4,915**	1,663
Provision for bank loan guarantees for subsidiary	**59,691**	–
	73,974	5,723

6 LOSS BEFORE TAXATION

Results before taxation is arrived at after charging the following:

(a) Finance Costs

	Unaudited Six months ended 30 September	
	2010	2009
	$'000	*$'000*
Interest on bank advances, other borrowings and convertible bond wholly repayable within five years	**17,719**	5,781
Bank charges	**40**	2
	17,759	5,783

(b) Other Items

	Unaudited Six months ended 30 September	
	2010	2009
	$'000	*$'000*
Cost of goods sold	**12,782**	12,984
Depreciation of property, plant and equipment	**1,765**	993

(c) Other revenue

	Unaudited Six months ended 30 September	
	2010	2009
	$'000	*$'000*
Interest income	**2**	–
Exchange difference	**334**	–
Others	**1,050**	1,557
	1,386	1,557

7 INCOME TAX

The provision for Hong Kong Profits Tax for the six months ended 30 September 2010 is calculated at 16.5% (six months ended 30 September 2009: 16.5%) of the estimated assessable profits for the period.

The Group's subsidiary in the PRC is subject to PRC income tax at the rate of 25% (six months ended 30 September 2009: 25%) of its taxable income.

No Hong Kong Profits Tax and PRC Enterprise Income Tax was provided as there was no assessable profits and taxable income for both periods.

8 DIVIDEND

	Unaudited Six months ended 30 September	
	2010	2009
	$'000	*$'000*
Interim dividend paid – HK$Nil per share	**Nil**	Nil

9 LOSS PER SHARE

(a) Basic Loss Per Share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company for the six months ended 30 September 2010 of approximately HK$98.65 million (six months ended 30 September 2009: approximately HK$23.83 million) and the weighted average number of 2,212,606,800 ordinary shares in issue during the period (six months ended 30 September 2009: 2,212,606,800).

(b) Diluted Loss Per Share

No adjustment has been made to the basic loss per share amount presented for both periods in respect of dilution as the Group had no potential dilutive ordinary shares in issue during these periods.

10 SEGMENT REPORTING

Segment information is presented in respect of the Group's business and geographical segments according to the information available to the Provisional Liquidators. Business segment information is chosen as this is more relevant to the Group's internal financial reporting.

For the periods ended 30 September 2010 and 30 September 2009, the Group has been predominately operating in one geographical segment, i.e. the PRC, and principally engaged in the retail and concessionaire sales of garments.

11 TRADE AND OTHER RECEIVABLES

	Unaudited As at 30 September 2010 *$'000*	Audited As at 31 March 2010 *$'000*
Trade receivables	**21,203**	22,387
Less: Allowance for doubtful debts	**(4,545)**	(4,545)
	16,658	17,842
Other receivables and prepayments	**15,737**	10,431
	32,395	28,273

All the trade and other receivables are expected to be recovered within one year and are denominated in Renminbi.

12 TRADE AND OTHER PAYABLES

	Unaudited As at 30 September 2010 *$'000*	Audited As at 31 March 2010 *$'000*
Trade payables	**28,950**	38,482
Accruals and other payables	**50,772**	42,210
	79,722	80,692

All the trade and other payables are expected to be settled within one year. All the trade payables are denominated in Renminbi and all accruals and other payables are denominated in Hong Kong dollars.

13 PROVISION FOR BANK LOAN GUARANTEES FOR SUBSIDIARIES AND OTHER BORROWINGS

The banking facilities of the Group were secured by corporate guarantees issued by the Company. The banking facilities granted to the subsidiaries of the Company were secured by the Company's interest in some of its subsidiaries and guaranteed by the Company. Details of the abovementioned items are set out as follows:

(i) Provision for bank loan guarantees for subsidiaries

	Unaudited As at 30 September 2010 *$'000*	Audited As at 31 March 2010 *$'000*
Secured	**147,698**	141,947
Unsecured	**770,175**	704,174
	917,873	846,121

All bank loan guarantees for subsidiaries are repayable within 1 year or on demand.

(ii) Other borrowings

	Unaudited As at 30 September 2010 *$'000*	Audited As at 31 March 2010 *$'000*
Secured	**10,718**	10,718
Unsecured	**41,672**	41,672
	52,390	52,390

All other borrowings are repayable within 1 year or on demand.

The effective interest rate for the six months ended 30 September 2010 for other borrowings were 4% per month and 8-11% per annum. (six months ended 30 September 2009: 2% per month and 6% per annum).

The creditors' meetings to approve the Schemes were held on 30 August 2010. The Schemes were passed by the required majority of the creditors with the Cayman Scheme being sanctioned by the Cayman Court on 7 September 2010. The Schemes will become effective upon completion of the Restructuring Agreement and amount due from the bank loan guarantee for subsidiaries and other borrowings will be comprised and discharged.

14 CONTINGENT LIABILITIES

The Provisional Liquidators are not aware of any significant contingent liabilities of the Group and the Company as at 30 September 2010 and 30 September 2009.

15 SIGNIFICANT SUBSEQUENT EVENTS

On 20 October 2010, the Company announced that the Provisional Liquidators have been informed that two entities holding a beneficial interest in not less than 28.68% in aggregate of the existing issued share capital of the Company as at the date of the EGM (the "Dissenting Shareholders") caused the legal holder to vote against the Ordinary Resolutions at the EGM.

Based on the information and evidence collected from their investigation, the Provisional Liquidators believe that implementation of the Restructuring Agreement is in the best interests of all of the shareholders, and that in causing the legal holder to vote against the Ordinary Resolutions referred to above, the Dissenting Shareholders have not exercised their votes in the best interests of the shareholders as a whole.

The Company has filed proceedings in the Grand Court of the Cayman Islands (the "Proceedings") against the Dissenting Shareholders and the legal holder in order to have the relevant votes cast at the EGM set aside, and declared to be void and of no effect on the basis that they were not properly exercised.

Meanwhile, the Investor has indicated an intention to make a new proposal for the restructuring of the Company. The Provisional Liquidators and their professional advisors are now dealing with the regulatory issues arising from the new proposal, under which the shareholders may be asked to vote on new Ordinary Resolutions.

On 8 November 2010, the Investor, the Provisional Liquidators and FTI Consulting entered into a revolving loan facility agreement of which the Investor consented to make available to the Company a revolving facility in an aggregate amount of HK$15 million for the retail operation of the Company in the PRC.

FINANCIAL RESULTS

For the six months ended 30 September 2010, the Group's turnover was approximately HK$22.79 million (six months ended 30 September 2009: HK$21.44 million), representing an increase of approximately 6.30% from the corresponding period of last year.

The consolidated loss attributable to shareholders of the Company for the six months ended 30 September 2010 amounted to approximately HK$98.65 million (six months ended 30 September 2009: HK$23.83 million). Loss per share was approximately HK4.45 cents as compared with loss per share of approximately HK1.08 cents for the corresponding period of last year.

BUSINESS REVIEW

The main business activity of the Group is the retailing of garment in the People's Republic of China (the "PRC").

For the six months ended 30 September 2010, the Group's turnover was approximately HK$22.79 million (six months ended 30 September 2009: HK$21.44 million), representing an increase of approximately 6.30% as compared to the corresponding period of last year.

The Group's gross margin for the six months ended 30 September 2010 was 43.91% (six months ended 30 September 2009: 39.43%), representing an increase of approximately 4.48% as compared to the corresponding period of last year.

Closing inventories at 30 September 2010 were approximately HK$5.79 million (six months ended 30 September 2009: HK$7.83 million). Inventory turnover on sales for the six months ended 30 September 2010 was 194 days (six months ended 30 September 2009: 191 days).

RESTRUCTURING OF THE GROUP FROM 2010

On 9 April 2010, the Company was informed by the Stock Exchange in a letter that trading in the ordinary shares of the Company (the "Shares") will be resumed subject to the satisfaction of the following conditions (collectively as the "Resumption Conditions") by 8 October 2010:

1. complete the open offer, subscription of convertible bonds and all other transactions in the proposal submitted to the Stock Exchange for the resumption of trading in the Shares on 20 July 2009 (the "Resumption Proposal");

2. publish a circular containing (i) detailed disclosure of the Resumption Proposal comparable to prospectus standard; (ii) profit forecast for each of the two years ending 31 March 2012 which should be prepared by the directors of the Company (including proposed Directors) (the "Director") after due and careful enquiry; and (iii) pro forma statement of financial position upon completion of the Resumption Proposal;

3. provide comfort letter from the auditor or the financial advisor relating to working capital sufficiency for the next 12 months from the latest practicable date before expected resumption date; and

4. undertake to (i) appoint an independent professional advisor to conduct follow-up reviews on the internal control procedures within 6 months from resumption date; and (ii) disclose the review results in subsequent financial reports.

The Stock Exchange may modify the resumption conditions if the Company's situation changes.

On 9 April 2010, the Company, the Provisional Liquidators, Forefront Finance Company Limited ("Forefront"), Merrier Limited ("Merrier"), Hansom Finance Limited ("Hansom") and Radford Developments Limited ("the Investor") entered into the supplemental deed to the settlement deed entered on 3 April 2009 (the "Supplemental Deed") pursuant to which Forefront and Hansom agreed to extend the period of not exercising their respective share charge over the Ever Century Shares from 12 months to 24 months from the date of the settlement deed entered by the Company, the Provisional Liquidators, Forefront, Merrier, Hansom and the Investor on 3 April 2009 (the "Settlement Deed"). By an order of the High Court dated 22 October 2010, the hearing for the winding up of the Company was further adjourned to 9 February 2011.

On 26 May 2010, the Company, the Provisional Liquidators, the Investor and Ferrier Hodgson Limited (now as FTI Consulting (Hong Kong) Limited) entered into a restructuring agreement (the "Restructuring Agreement") which provided for, inter alia, a proposed capital reorganisation, a proposed open offer, a proposed subscription of convertible bonds by the Investor, a proposed debt restructuring and schemes of arrangement in both Hong Kong (the "Hong Kong Scheme") and the Cayman Islands (the "Cayman Scheme") (collectively as the "Schemes").

On 28 May 2010, New Profit Holdings Limited, an indirect 90% owned subsidiary of the Company, was placed into creditors' voluntary liquidation pursuant to the Companies Ordinance of Hong Kong.

On 8 August 2010, the Company has notified its shareholders for the proposed capital reorganization which comprise (i) the reduction in par value of all the issued Shares from HK$0.1 to HK$0.001 whereby all unissued Shares will be cancelled; (ii) the consolidation of every 10 issued shares of par value of HK$0.001 into one new share of par value of HK$0.01 each; and (iii) the increase of the Company's authorised share capital from HK$400 million to HK$500 million, divided into 50,000,000,000 New Shares of HK$0.01 each (the "Capital Reorganisation").

The extraordinary general meeting was convened on 30 August 2010 and the special resolution to approve the proposed Capital Reorganisation was passed by the majority of not less than 75% of the votes cast by the shareholders present in person or by proxy or by duly authorised representative by way of poll.

The creditors' meetings to approve the Schemes were held on 30 August 2010. The Schemes were passed by the required majority of the creditors with the scheme of arrangement in the Cayman Islands being sanctioned by the Cayman Court on 7 September 2010. The Schemes will become effective upon the completion of the restructuring.

On 20 August 2010, the Stock Exchange agreed the extension of the time for the satisfaction of the Resumption Conditions to 15 December 2010.

On 24 August 2010, the parties to the Restructuring Agreement entered into a side letter to extend the long stop date to 15 December 2010 and include the approval of special deal by the Company's shareholders and consent being granted by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong in addition to the existing conditions under the Restructuring Agreement.

On 31 August 2010, the Company despatched the circular (the "Circular") to the shareholders notifying the proposed restructuring of the Company which principally comprises (a) the proposed open offer of 15,001,474,104 offer shares at the subscription price of HK$0.01 per offer share on the basis of 339 offer shares for every 5 new shares in order to raise approximately HK$150 million; (b) the subscription of convertible bonds by the Investor and the creditors of the Company in the principal amount of HK$100 million and HK$20 million respectively at a conversion price of HK$0.01 per conversion share; (c) the application of whitewash waiver; (d) the approval of the special deal; and (e) the appointment of new directors to the Company.

The extraordinary general meeting in relation to the implementation of the terms under the Circular was convened on 15 September 2010 (the "EGM") and the proposed ordinary resolutions (the "Ordinary Resolutions"), except for the appointment of the new directors to the Company upon completion of the restructuring, were not passed by the majority of the shareholders attending and eligible to vote at the meeting.

Subsequent to the EGM, the Provisional Liquidators have been informed that two entities holding a beneficial interest in not less than 28.68% in aggregate of the existing issued share capital of the Company as at the date of the EGM (the "Dissenting Shareholders") caused the legal holder to vote against the Ordinary Resolutions at the EGM.

Based on the information and evidence collected from their investigation, the Provisional Liquidators believe that implementation of the Restructuring Agreement is in the best interests of all of the shareholders, and that in causing the legal holder to vote against the Ordinary Resolutions referred to above, the Dissenting Shareholders have not exercised their votes in the best interests of the shareholders as a whole.

The Company has filed proceedings in the Grand Court of the Cayman Islands (the "Proceedings") against the Dissenting Shareholders and the legal holder in order to have the relevant votes cast at the EGM set aside, and declared to be void and of no effect on the basis that they were not properly exercised.

Meanwhile, the Investor has indicated an intention to make a new proposal for the restructuring of the Company. The Provisional Liquidators and their professional advisors are now dealing with the regulatory issues arising from the new proposal, under which the shareholders may be asked to vote on new Ordinary Resolutions.

On 8 November 2010, the Investor, the Provisional Liquidators and FTI Consulting entered into a revolving loan facility agreement of which the Investor consented to make available to the Company a revolving facility in an aggregate amount of HK$15 million for the retail operation of the Company in the PRC.

PROSPECTS

It is anticipated that the financial position of the Group will be substantially improved upon (i) the successful implementation of the Restructuring Agreement; and (ii) resumption of trading in the shares on the Stock Exchange. The Investor and the Provisional Liquidators anticipate all existing liabilities owed to the creditors of the Company and creditors of its subsidiaries holding guarantees given by the Company will be compromised and discharged through the Schemes.

It is the Investor's intention to maintain the Group's existing retail business. With the strong and continuous support provided by the Investor to the Group in terms of both business and financial aspects, the Group will be able to sustain its retail business at a sufficient level in upcoming financial years and expand its retail business to a substantial level within a reasonable period of time after the resumption of trading in the shares of the Company on the Stock Exchange.

REVIEW BY THE AUDIT COMMITTEE

For the six months ended 30 September 2010, the audit committee comprises of three members, namely Mr. Pau Chin Hung, Andy, Mr. Choong Khuat Leok and Mr. Kooi Tock Chian, with Mr. Choong as the chairman of the audit committee.

The interim report has been reviewed by the audit committee but not the Company's auditor.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

For the six months ended 30 September 2010, neither the Company nor any of it subsidiaries purchased, redeemed or sold any of the Company's listed securities.

INTERIM DIVIDEND

There will not be a payment of an interim dividend for the six months ended 30 September 2010 (six months ended 30 September 2009: Nil).

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company's code on corporate governance practices was adopted by reference to the provisions of the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 to the Listing Rules. However, due to the severe financial difficulties of the Group and the appointment of the Provisional Liquidators, the Directors are unable to comment as to whether the Company has complied with the CG Code contained in Appendix 14 of the Listing Rules throughout the six months ended 30 September 2010.

ADOPTED CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules (the "Model Code") as the code of conduct regarding securities transactions by the Directors.

To the best knowledge of the Provisional Liquidators, after making reasonable enquiries, all the existing Directors have complied with the required standard set out in the Model Code during the six months ended 30 September 2010.

PUBLICATION OF INFORMATION ON WEBSITES

This results announcement is available for viewing on the website of Stock Exchange at www.hkex.com.hk and on the website of the Company at www.tackfatgroup.com.

By order of the Board
TACK FAT GROUP INTERNATIONAL LIMITED
(Provisional Liquidators Appointed)
CHOONG Khuat Leok
Independent non-executive Director

For and on behalf of
TACK FAT GROUP INTERNATIONAL LIMITED
(Provisional Liquidators Appointed)
FOK Hei Yu
Roderick John SUTTON
Joint and Several Provisional Liquidators
who act without personal liabilities

Hong Kong, 30 November 2010

As at the date of this announcement, the Board comprises (i) one non-executive Director, Mr. James D. McMullen; and (ii) three independent non-executive Directors, namely, Mr. Pau Chin Hung, Andy, Mr. Choong Khuat Leok and Mr. Kooi Tock Chian.