

EXECUTION VERSION

BY HAND

From: Roderick John Sutton and Fok Hei Yu
in their capacity as
Joint and Several Provisional Liquidators
of Tack Fat Group International Limited
(Provisional Liquidators Appointed)
c/o FTI Consulting (Hong Kong) Limited
14/F The Hong Kong Club Building
3A Chater Road
Central Hong Kong
(the **Provisional Liquidators**)

To: Tack Fat Group International
Limited
(Provisional Liquidators Appointed)
c/o FTI Consulting (Hong Kong)
Limited
14/F The Hong Kong Club Building
3A Chater Road
Central Hong Kong

and

To: Radford Developments Limited
Sea Medal House
Blackburne Highway
P.O. Box 116
Road Town, Tortola
British Virgin Islands
Attention: Cheung Eugene Yue-
chien

and

To: FTI Consulting (Hong Kong)
Limited (formerly known as Ferrier
Hodgson Limited and FS Asia
Advisory Limited) as Escrow Agent
14/F The Hong Kong Club Building
3A Chater Road
Central Hong Kong

24 August 2010

Dear Sirs

Amendment to the Restructuring Agreement dated 26 May 2010

We refer to the restructuring agreement entered into among Tack Fat Group International Limited (Provisional Liquidators appointed), the Provisional Liquidators, Radford Developments Limited and FTI Consulting (Hong Kong) Limited (formerly known as Ferrier Hodgson Limited and FS Asia Advisory Limited) dated 26 May 2010 (the **Restructuring Agreement**).

Capitalised terms defined in the Restructuring Agreement have the same meaning when used in this letter unless expressly defined in this letter.

The Restructuring Agreement will be amended from the date of this letter as follows:

- (a) The definition of Cash Consideration in Clause 1.1 of the Restructuring Agreement will be deleted in its entirety and be replaced by the following:

"Cash Consideration means the sum of HK\$50,000,000 which will be funded out of the proceeds from the issue of the Investor Convertible Bonds."
- (b) The definition of Circular in Clause 1.1 of the Restructuring Agreement will be deleted in its entirety and be replaced by the following:

"Circular means the circular of the Company dated on or about the date of this letter."
- (c) The definition of Interested Shareholders will be added to Clause 1.1 of the Restructuring Agreement:

"Interested Shareholders means QVT Fund LP and Quintessence Fund LP."
- (d) The definition of Long Stop Date in Clause 1.1 of the Restructuring Agreement will be deleted in its entirety and be replaced by the following:

"Long Stop Date means 15 December 2010 or such later date as the Investor, the Company and the Provisional Liquidators may agree in writing."
- (e) The definition of Preferential Creditor in Clause 1.1 of the Restructuring Agreement will be deleted in its entirety and be replaced by the following:

" Preferential Creditor means any creditor of the Company with a Claim against the Company which would be treated as a preferential claim and have priority in a winding-up commenced on 10 September 2008 in Hong Kong pursuant to section 265 of the Companies Ordinance or would have priority in the Cayman Islands pursuant to Section 162 of the Cayman Companies Law."
- (f) The definition of Special Deal will be added to Clause 1.1 of the Restructuring Agreement:

"Special Deal means the settlement of the Claims of the Interested Shareholders under the terms of the Schemes, which constitutes a special deal under Rule 25 of The Codes on Takeovers and Mergers and Share Repurchases."
- (g) The number "212,260,800" at various places in Clause 2.3 of the Restructuring Agreement shall be deleted in its entirety and be replaced by the following:

"221,260,680".
- (h) Clause 4.1(a)(iii)(B) of the Restructuring Agreement will be deleted in its entirety and be replaced by the following:

"any cash held by or for the account of the Company at Closing but less (i) any cash to be applied in satisfaction of Costs, (ii) any cash raised by the Open Offer of New Shares under Clause 3.3 and (iii) any proceeds from the Company's issue of the Investor Convertible Bonds (for the avoidance of doubt, the proceeds from the issue of the Investor Convertible Bonds mentioned in this Clause 4.1(a)(iii)(B) shall refer to the proceeds after payment of the Cash Consideration); and"
- (i) Clause 6.2(b) of the Restructuring Agreement will be deleted in its entirety and be replaced by the following:

"the Provisional Liquidators shall transfer to the Scheme Administrators or as they may direct any cash held by or for the account of the Company at Closing but less (i) any cash to be applied in satisfaction of Costs, (ii) any cash raised by the Open Offer of New Shares under Clause 3.3 and (iii) any proceeds from the Company's issue of the Investor Convertible Bonds (for the avoidance of doubt, the proceeds from the issue of the Investor Convertible Bonds mentioned in this Clause 6.2 (b) shall refer to the proceeds after payment of the Cash Consideration)."

- (j) The first sentence of Paragraph 3 in Schedule 2 of the Restructuring Agreement will be deleted in its entirety and be replaced by the following:

"Shareholders' resolutions (excluding where applicable Interested Shareholders) of the Company approving:"

- (k) The word "and" in Sub-paragraph 3 (v) in Schedule 2 of the Restructuring Agreement will be deleted in its entirety.

- (l) Sub-paragraph 3 (vi) in Schedule 2 of the Restructuring Agreement will be deleted in its entirety and be replaced by the following:

"(vi) the Special Deal on terms and conditions as set out in the Circular; and"

- (m) The following will be added as Sub-paragraph 3 (vii) in Schedule 2 of the Restructuring Agreement:

"(vii) any other transactions contemplated under the Agreement which require the approval of the Company's shareholders."

- (n) The following will be added as Paragraph 16 in Schedule 2 of the Restructuring Agreement:

| "Condition | Document |
|--|---|
| 16. SFC has given its consent to the Special Deal. | A notice or letter signed on behalf of the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director" |

The provisions of Clauses 16.2 (Severability), 18 (Notices), 20.2 and 20.3 (Governing Law and Jurisdiction) of the Restructuring Agreement will be incorporated into this letter as if set out in full in this letter and as if references in those Clauses to the Restructuring Agreement are references to this letter.

From the date of this letter, the Restructuring Agreement and this letter will be read and construed as one document.

Except as otherwise provided in this letter, the Restructuring Agreement will remain in full force and effect.

By signing where indicated below and returning a copy of this letter to us, you agree to the amendments to the Restructuring Agreement as provided in this letter.

This letter may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this letter.

This letter is governed by Hong Kong Law.

For and on behalf of
**THE JOINT AND SEVERAL PROVISIONAL
LIQUIDATORS OF TACK FAT GROUP
INTERNATIONAL LIMITED (PROVISIONAL
LIQUIDATORS APPOINTED)**

By: 

For and on behalf of
**TACK FAT GROUP INTERNATIONAL
LIMITED (PROVISIONAL LIQUIDATORS
APPOINTED)**


By: 

in his capacity as joint and several provisional
liquidator and without personal liability

For and on behalf of
RADFORD DEVELOPMENTS LIMITED

By:

For and on behalf of
FTI Consulting (Hong Kong) Limited

By: 

For and on behalf of
**THE JOINT AND SEVERAL PROVISIONAL
LIQUIDATORS OF TACK FAT GROUP
INTERNATIONAL LIMITED (PROVISIONAL
LIQUIDATORS APPOINTED)**


By:

For and on behalf of
**TACK FAT GROUP INTERNATIONAL
LIMITED (PROVISIONAL LIQUIDATORS
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By:

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For and on behalf of
RADFORD DEVELOPMENTS LIMITED

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FTI Consulting (Hong Kong) Limited

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