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TACK FAT GROUP INTERNATIONAL LIMITED

(Provisional Liquidators Appointed)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00928)

FURTHER ANNOUNCEMENT

SETTLEMENT OF THE INJUNCTION PROCEEDINGS

Reference is made to the announcements of Tack Fat Group International Limited (Provisional Liquidators Appointed) dated 5 July 2011, 7 July 2011 and 10 July 2011 (the “**Announcements**”) in relation to, among other things, the Injunction Application, which was to restrain the Sansar Parties from voting against certain resolutions in respect of the proposed restructuring of the Company to be voted at the EGM, details of which are set out in the circular of the Company despatched on 28 June 2011 (the “**Circular**”). Unless the context otherwise requires, terms used in this announcement shall have the same meanings as those used in the Announcements and the Circular.

The Company has issued this announcement to enable the Shareholders to have a better understanding of the recent events in connection with the Settlement.

As mentioned in the announcement of the Company dated 20 October 2010, the Provisional Liquidators conducted investigation on the voting results in respect of the Previous EGM held on 15 September 2011. The Provisional Liquidators had been informed that two entities holding a beneficial interest in not less than 28.68% in aggregate of the then issued share capital of the Company as at the date of the Previous EGM (the “**Dissenting Shareholders**”) caused the legal holder to vote against certain resolutions at the Previous EGM. As a result, more than 50% of the votes cast against the resolutions in relation to the proposed restructuring of the Company at the Previous EGM. Based on the information and evidence collected from their investigation, the Provisional Liquidators believed that implementation of the proposed restructuring of the Company was in the best interests of all of the shareholders of the Company, and that in causing the legal holder to vote against certain resolutions in relation to the proposed restructuring of the Company at the Previous EGM, the Dissenting Shareholders did not exercise their votes in the best interests of all the shareholders of the Company as a whole. The Company filed proceedings in Cayman Islands (the “**Cayman Proceedings**”) against the Dissenting Shareholders and the legal holder in order to have the relevant votes cast at the Previous EGM set aside, and declared to be void and of no effect on the basis that they were not properly exercised.

The Cayman Proceedings were eventually lapsed. Following subsequent dialogues with the Dissenting Shareholders, the Provisional Liquidators came to a view that they should file the Injunction Application against one of the Dissenting Shareholders, i.e. the Sansar Parties, largely based on the same grounds as the Cayman Proceedings.

As mentioned in the Announcements, the Company, the Provisional Liquidators and the Sansar Parties have reached an amicable Settlement and as a result of such Settlement, the Company and the Provisional Liquidators have ceased to proceed with the Injunction Application and the parties to the Settlement have agreed that all proceedings against the Sansar Parties be discontinued. The terms of the releases by the Company shall take effect upon the execution of a share purchase agreement between the Sansar Parties and the Purchaser in connection with the disposal of the Sansar Parties' interests in the Company to the Purchaser and the releases by the Sansar Parties shall take effect upon the Purchaser complying its payment obligations under such share purchase agreement. Although the Provisional Liquidators took no part in the negotiations of the share purchase agreement, they noted that the Purchaser and the Sansar Parties had entered into the share purchase agreement and the Sansar Parties would vote in accordance with the Purchaser's timely instructions, and therefore were comfortable that the concern that they had on votes not being cast in the best interests of the Shareholders as a whole has been alleviated.

At the same time as the Provisional Liquidators having clarified with HKSCC Nominees Limited that votes of other Shareholders would not be affected by the Injunction Application, the Provisional Liquidators filed on 6 July 2011, a Notice of Discontinuance of the Injunction Application with the High Court of Hong Kong and as a result of which, the proceedings against both the Sansar Parties and HKSCC Nominees Limited in the Injunction Application were discontinued.

As mentioned in the Announcements, no monetary consideration whatsoever was offered or paid, whether directly or indirectly, by the Company and/or the Provisional Liquidators to the Sansar Parties for the purpose of entering the Settlement. As such, the Settlement will not confer any benefits to certain shareholders of the Company which are unavailable to other shareholders of the Company.

Apart from the financial adviser to the Investor having introduced the Purchaser to the Sansar Parties, none of the Company, the Provisional Liquidators or the Investor were involved in any part of the sale process (including the negotiation and completion of the sale process) between the Purchaser and the Sansar Parties nor have been informed by the Sansar Parties of the details of such sale. To the best knowledge, information and belief of the Company and the Provisional Liquidators, the Purchaser is independent of the Company, the Provisional Liquidators and the Investor.

The Provisional Liquidators are in discussion with the Stock Exchange as to whether any Shareholders would have a material interest and should abstain from voting at the EGM.

THE PROVISIONAL LIQUIDATORS URGE THE SHAREHOLDERS TO EXERCISE THEIR SHAREHOLDERS' RIGHTS TO PARTICIPATE IN THE VOTING OF THE RESOLUTIONS TO BE PROPOSED AT THE EGM ON 13 JULY 2011.

Trading in the shares of the Company has been suspended at the request of the Company since 9:30 a.m. on 30 July 2008 and will remain suspended until further notice.

For and on behalf of
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
acting as agents without personal liability*

Hong Kong, 11 July 2011

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