U-RIGHT INTERNATIONAL HOLDINGS LIMITED
(Provisional Liquidators Appointed)
佑 威 國 際 控 股 有 限 公 司 *
(已 委 任 臨 時 清 盤 人)

(Incorporated in Bermuda with limited liability)

(Stock Code: 00627)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008

The board (the "Board") of directors of U-RIGHT International Holdings Limited (Provisional Liquidators Appointed) (the "Company") announces that the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2008 together with comparative figures for the previous period.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2008

	Notes	**Six months ended 30 September 2008** **HK$'000** **(unaudited)**	2007 *HK$'000* (unaudited)
Turnover	*5*	**105,058**	989,756
Cost of sales		**(42,805)**	(737,942)
Gross profit		**62,253**	251,814
Other income		**4,607**	3,953
Selling and distribution costs		**(45,295)**	(96,484)
Administrative expenses		**(5,273)**	(53,404)
Amortisation of intangible assets		**–**	(2,031)
Profit from operations		**16,292**	103,848
Loss on deconsolidation of the subsidiaries and impairment on investment costs and due from deconsolidated subsidiaries	*7*	**(2,270,449)**	–
Other losses	*8*	**(1,157,283)**	–
Finance cost		**(18,529)**	(21,301)
Share of losses of jointly-controlled entities		**–**	(835)
(Loss)/profit before tax		**(3,429,969)**	81,712
Income tax expense	*9*	**–**	(9,936)
(Loss)/profit for the period		**(3,429,969)**	71,776
Attributable to:			
Equity holders of the Company		**(3,429,969)**	68,775
Minority interests		**–**	3,001
		(3,429,969)	71,776
(Loss)/earning per share	*10*		
Basic (HK cents per share)		**(96.09)**	2.10
Diluted (HK cents per share)		**(96.09)**	2.10

CONDENSED CONSOLIDATED BALANCE SHEET

At 30 September 2008

	Notes	At 30 September 2008 HK$'000 (unaudited)	At 31 March 2008 HK$'000 (audited)
Non-current assets			
Property, plant and equipment		**144**	405,993
Prepaid lease payments		–	72,639
Investment properties		–	105,574
Intangible assets		–	225,750
Investments in jointly-controlled entities		–	4,449
Available-for-sale financial assets		–	8,000
Prepayments and deposits		–	383,867
		144	1,206,272
Current assets			
Inventories		**8,659**	372,089
Prepayments, deposits and other receivables		**183**	442,918
Trade receivables	*12*	**2,780**	346,797
Prepaid lease payments		–	1,874
Available-for-sale financial assets		**6,400**	–
Tax recoverable		**1,019**	1,099
Bank and cash balances		**304**	439,348
		19,345	1,604,125
Current liabilities			
Trade and bills payables	*13*	**6,981**	160,740
Accruals and other payables		**10,722**	36,373
Due to deconsolidated subsidiaries		**770,796**	–
Due to jointly-controlled entities		–	122
Current tax liabilities		–	13,878
Interest-bearing borrowings		–	580,789
Finance leases payables		–	58
Financial guarantee liabilities	*14*	**1,118,325**	–
Derivative financial instruments		–	4,607
Convertible notes		**63,999**	–
		1,970,823	796,567
Net current (liabilities)/assets		**(1,951,478)**	807,558
Total assets less current liabilities		**(1,951,334)**	2,013,830

	Notes	At 30 September 2008 HK$'000 (unaudited)	At 31 March 2008 HK$'000 (audited)
Non-current liabilities			
Interest-bearing borrowings		–	309,726
Finance leases payables		–	162
Deferred taxation		–	29,954
Convertible notes		–	45,470
		–	385,312
NET (LIABILITIES)/ASSETS		**(1,951,334)**	1,628,518
Capital and reserves			
Share capital		**356,936**	356,936
(Deficiency)/Reserves		**(2,308,270)**	1,270,618
Equity attributable to equity holders of the Company		**(1,951,334)**	1,627,554
Minority interests		–	964
TOTAL EQUITY		**(1,951,334)**	1,628,518

NOTES:

1. General

The Company was incorporated in Bermuda on 9 June 2000 as an exempted company with limited liability under the Companies Act 1981 of Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of business is 35th Floor, One Pacific Place, 88 Queensway, Hong Kong. The shares of the Company were listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 13 November 2000. Trading in the shares has been suspended since 17 September 2008.

The Company is an investment holding Company. Its subsidiaries are engaged in fashion garments business.

2. Winding-up petitions and appointment of provisional liquidators

On 6 October 2008, Deutsche Bank A.G., Hong Kong Branch (the “Petitioner”) petitioned for the winding-up of the Company as the Company could not meet demands for the repayment of outstanding debts (the "Petition"). Upon the application of the Petitioner, on 6 October 2008, Messrs. LAI Kar Yan (Derek) and YEUNG Lui Ming, both of Deloitte Touche Tohmatsu, were appointed as joint and several provisional liquidators (the "Provisional Liquidators") of the Company by the High Court of the Hong Kong Special Administrative Region (the "High Court").

The Provisional Liquidators are empowered, inter alia, to take possession of the assets of the Company and its subsidiaries, to close or cease or operate all or any part of the business operations of the Company and its subsidiaries, to take control of such of the subsidiaries of the Company, joint ventures, associated companies or other entities in which the Company or any of its subsidiaries holds an interest and to consider if thought to be in the best interests of creditors of the Company, to enter into discussions and negotiations for and on behalf of the Company for the purpose of, but not limited to, restructuring of the Company's business, operations, or indebtedness or to implement a scheme of arrangement between the Company and its creditors and/or shareholders for such restructuring.

After the appointment of the Provisional Liquidators on 6 October 2008, the then management of the Company together with the Provisional Liquidators used their best endeavour to maintain the business of the Group both in Hong Kong and the People’s Republic of China (the “PRC”). Notwithstanding subsequent changes in personnels as the Provisional Liquidators gradually replaced the management team, the total turnover achieved by the Group according to the financial statements of the Group for the year ended 31 March 2009 was approximately HK$124 million.

Due to the lack of working capital affecting a continued flow of new products for the retail market, and against the high shop rental costs, the Provisional Liquidators decided to close down the retail operations pro tem.

Currently, the only business carried out by the Company is garment wholesale trading, which was resumed from early August 2009. The garment trading business carried out by the Group is in the same line with the original principal trading business of the Company prior to the suspension of the trading in its shares on the Stock Exchange.

In mid December 2009, the Group started a discussion with two potential joint venture partners in relation to the establishment of a PRC joint venture to recommence its garment retail business in the PRC and to expand its garment trading business both in the PRC and other countries. It is expected that the PRC joint venture can be set up by early March 2010.

The hearing of the winding-up petition against the Company was originally scheduled on 10 December 2008 and was adjourned by the High Court to 9 February 2009, 11 May 2009, 9 November 2009 and further adjourned to 10 May 2010.

The Petition against the Company will be withdrawn upon the successful implementation of the restructuring of the Company as referred to in note 3 below.

3. Basis of preparation and accounting policies

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 and the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The principal accounting policies adopted in the unaudited condensed consolidated interim financial statements are consistent with those adopted in the preparation of the Group's annual financial statements for the year ended 31 March 2008, except for the adoption of the new standards, amendments to standards and interpretations which are effective for the accounting periods beginning on or after 1 April 2008.

The adoption of the above has no material impact to the Group's unaudited condensed consolidated interim financial statements.

Going concern

The Group incurred a loss attributable to equity holders of the Company of approximately HK$3,429,969,000 for the six months ended 30 September 2008 (six months ended 30 September 2007: profit of approximately HK$68,775,000) and as at 30 September 2008 the Group had net current liabilities of approximately HK$1,951,478,000 and net liabilities of approximately HK$1,951,334,000 respectively (31 March 2008, net current assets of approximately HK$807,558,000 and net assets of approximately HK$1,628,518,000). These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

During the six months ended 30 September 2008, an event of default occurred in respect of the convertible notes with liability component totaling approximately HK$63,999,000 as at 30 September 2008 and such amounts have become repayable on demand. The liability component of convertible notes, together with the corresponding finance cost, was therefore reclassified as a current liability.

On 16 May 2009, the Provisional Liquidators, Advance Lead International Limited (the "Investor"), the Company and an escrow agent, entered into the escrow agreement for the implementation of the restructuring proposal. Pursuant to the escrow agreement, the Provisional Liquidators granted the Investor an exclusive right for a period up to 30 June 2010 to negotiate a legally binding restructuring agreement for the implementation of the restructuring proposal.

The Provisional Liquidators appointed Asian Capital (Corporate Finance) Limited as the financial adviser to the Company regarding the restructuring of the Group. The Company is in the process of taking the steps necessary to enable it to prepare a viable resumption proposal to be submitted to the Stock Exchange.

On 30 July 2009, the Stock Exchange issued a letter to place the Company in the second stage of the delisting procedures under Practice Note 17 of the Listing Rules.

On 14 January 2010, the Provisional Liquidators, the Investor, the Company and the escrow agent, entered into a supplemental agreement to the escrow agreement. Pursuant to the supplemental agreement, the final restructuring proposal to be formulated shall include, inter alia, (i) a capital restructuring; (ii) a subscription of new shares and convertible bonds of the Company; (iii) a provision of loan facility; and (iv) a creditors' scheme of arrangement.

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

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.

Deconsolidation of subsidiaries

The financial statements have been prepared based on the books and records currently maintained by the Group. However, due to the loss of contact with former directors, the asset freezing orders initiated by creditors and the liquidation of certain subsidiaries, the directors of the Company (the "Directors") considered that the control over the following subsidiaries has been lost from 1 April 2008. The results, assets and liabilities and cash flows of these subsidiaries were deconsolidated from the financial statements of the Group from 1 April 2008.

U-Right Fashion Limited (In Liquidation)
U-Right Enterprise Limited (In Liquidation)
U-Right (Macau) Limited
U-Right Trading Limited (In Liquidation)
Radix Development Company Limited
New Asia Associates Limited
New Asia Associates (HK) Limited (In Liquidation)
Texcote International Limited
Texcote Technology (International) Limited
Texcote Technology Limited
德高化工科技(深圳)有限公司
Texcote Rights Limited
Texnology Nano (BVI) Limited
Texnology Nano International Limited
Texnology Nano Textile (China) Limited (In Liquidation)
Foshan U-Right Nano Textile Limited* (佛山市佑威納米紡織有限公司)
Nanchang Texnology Nano Textile Limited* (南昌市德科納米紡織有限公司)
Jiangsu Texnology Nano Textile Limited* (江蘇德科納米紡織有限公司)
Lakeyre Holdings Limited
Noble Rise Limited
PEZZX (HK) Co Ltd
Uni-Capital Limited (In Liquidation)
U-Right International Limited (In Liquidation)
Sky Fox Investment Limited (In Liquidation)
Eternal Plan Limited
艾博特服飾商貿(上海)有限公司
Foshan U-Right Garment Co., Ltd.* (佛山市佑威服裝有限公司)
霈熙服裝商貿(上海)有限公司
U-Right (HK) Limited (In Liquidation)
U-Right Macau Commercial Offshore Limited
U-Right Investments (China) Limited
領瀚投資管理諮詢(上海)有限公司

* *for identification purposes only*

4. Adoption of new and revised Hong Kong Financial Reporting Standards

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting period beginning on 1 April 2008. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies presentation of the Group's financial statements and amounts reported for the current period and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

5. Turnover

The Group’s turnover is as follows:

	Six months ended 30 September	
	2008	2007
	HK$’000	*HK$’000*
	(unaudited)	(unaudited)
Sales of goods and processing income	**105,058**	989,756

6. Segment information

Primary reporting format – geographical segments

During the six months ended 30 September 2008, all of the Group's revenue were derived from customers and operations based in Hong Kong and accordingly, no analysis of the Group's geographical segments is disclosed. The Group's geographical segments analysis for the six months ended 30 September 2007 is as below:

	Six months ended 30 September 2007			
	Hong Kong	**PRC**	**Elimination**	**Consolidated**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**
Segment revenue:				
Sales to external customers	112,510	877,246	–	989,756
Inter-segment sales	597	50,505	(51,102)	–
Total revenue	113,107	927,751	(51,102)	989,756
Segment results	(5,132)	129,692	–	124,560
Unallocated expenses				(20,712)
Profit from operations				103,848
Finance cost				(21,301)
Share of losses of jointly-controlled entities				(835)
Profit before tax				81,712
Income tax expense				(9,936)
Profit for the period				71,776

Secondary reporting format – business segments

For the six months ended 30 September 2008, no segment analysis by business segment is presented as the Group principally operated for fashion garments business. The Group's business segments analysis for the six months ended 30 September 2007 is as below:

	Six months ended 30 September 2007			
	Fashion garments business	**Texnology Nano business**	**Elimination**	**Consolidation**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue:				
Sales to external customers	710,694	279,062	–	989,756
Inter segment sales	44,001	7,101	(51,102)	–
Total revenue	754,695	286,163	(51,102)	989,756

7. Loss on deconsolidation of the subsidiaries and impairment on investment costs and due from deconsolidated subsidiaries

	Six months ended 30 September	
	2008	**2007**
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Loss on deconsolidation of subsidiaries (note a)	**534,888**	–
Impairment on investment costs in the deconsolidated subsidiaries	**106,931**	–
Impairment on due from the deconsolidated subsidiaries	**1,628,630**	–
	2,270,449	–

a) Loss on deconsolidation of subsidiaries

The control over certain subsidiaries has been lost since 1 April 2008. The results, assets and liabilities and cash flows of these subsidiaries were deconsolidated from the financial statements of the Group from 1 April 2008.

Net assets of these subsidiaries as at 1 April 2008 were as follows:

	HK$'000 **(unaudited)**
Property, plant and equipment	405,849
Prepaid lease payments	74,513
Investment properties	105,574
Intangible assets	225,750
Investments in jointly-controlled entities	4,449
Prepayments and deposits - non-current	383,867
Prepayments, deposits and other receivables - current	400,456
Inventories	348,843
Trade receivables	346,312
Due to jointly-controlled entities	(122)
Bank and cash balances	438,784
Tax recoverable	80
Trade and bills payables	(153,759)
Accruals and other payables	(31,822)
Current tax liabilities	(13,878)
Interest-bearing borrowings	(890,515)
Finance leases payables	(220)
Deferred taxation	(29,954)
Net amount due to the Group	(822,505)
Net assets deconsolidated	791,702
Release of foreign currency translation reserve	(148,919)
Minority interests	(964)
Investment costs	(106,931)
Loss on deconsolidation of subsidiaries	534,888
Net cash outflow arising on deconsolidation of subsidiaries:	
Cash and cash equivalents of subsidiaries deconsolidated	(438,784)

8. Other losses

	Six months ended 30 September	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Impairment on other receivables	**38,958**	–
Loss on financial guarantee liabilities	**1,118,325**	–
	1,157,283	–

9. Income tax expense

	Six months ended 30 September	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Current period provision:		
Hong Kong	**–**	6,301
Overseas	**–**	3,635
Income tax expense	**–**	9,936

No provision for Hong Kong Profits Tax has been made for the six months ended 30 September 2008 (2007: approximately HK$6,301,000) as the Group did not generate any assessable profits arising in Hong Kong during the period.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

10. (Loss)/earnings per share

The calculations of the basic and diluted (loss)/earnings per share are based on the following:

	Six months ended 30 September	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
(Loss)/profit		
(Loss)/profit attributable to equity holders of the Company, used in basic (loss)/earnings per share calculation	**(3,429,969)**	68,775
Finance costs saving on conversion of convertible bonds outstanding	**–**	2,044
(Loss)/profit attributable to equity holders of the Company, used in diluted (loss)/earnings per share calculation	**(3,429,969)**	70,819
Number of shares		
Weighted average number of ordinary shares used in basic (loss)/earnings per share calculation	**3,569,365**	3,223,478
Effect of dilutive potential ordinary shares arising from convertible bonds outstanding	**–**	104,167
Weighted average number of ordinary shares used in diluted (loss)/earnings per share calculation	**3,569,365**	3,327,645

During the six months ended 30 September 2008, the Company did not have any dilutive potential ordinary sharing in respect of the warrants and share options and the effects of all convertible notes are anti-dilutive.

11. Dividend

The Directors did not recommend the payment of an interim dividend for the six months ended 30 September 2008 (2007: nil).

12. Trade receivables

Other than cash and credit card sales, invoices are normally payable within 30 days of issuance, except for certain well-established customers where the terms are extended up to 90 days. Trade receivables are recognised and carried at their original invoiced amounts less allowance for impairment when collection of the full amount is no longer probable. Bad debts are written off as incurred.

An aging analysis of the trade receivables as at the balance sheet date, based on invoice dates, is as follows:

	At 30 September 2008 *HK$'000* **(unaudited)**	At 31 March 2008 *HK$'000* (audited)
30 days or less	**2,780**	113,132
31 days to 60 days	–	82,904
61 days to 90 days	–	51,366
91 days to 120 days	–	80,733
121 days to 150 days	–	6,585
Over 150 days	–	12,077
	2,780	346,797

13. Trade and bills payables

The aging analysis of the trade and bills payables as at the balance sheet date, based on invoice dates, is as follows:

	At 30 September 2008 *HK$'000* **(unaudited)**	At 31 March 2008 *HK$'000* (audited)
30 days or less	**6,981**	75,155
31 days to 60 days	–	43,510
61 days to 180 days	–	42,075
	6,981	160,740

14. Financial guarantee liabilities

At 31 March 2008, the Group's banking facilities were secured by partly/all of (i) corporate guarantees of the Company; (ii) joint and several corporate guarantees provided by the Group's subsidiaries; and (iii) charge over certain leasehold land and buildings, prepaid land lease payments and investment properties of the Group.

The effective interest rates at 31 March 2008 were as follows:

Bank loans	
– floating rate (HK$19,099,000)	Prime rate minus 1%
– floating rate (HK$12,100,000)	RMB Benchmark Interest Rate
– floating rate (remaining)	HIBOR plus 0.975% to 1.5%
Export loans	
– floating rate	HIBOR plus 1% to 2.25%
Trust receipt loans	
– floating rate	HIBOR plus 1% to 2.25%
Term and syndicated loans	
– floating rate as per most recent rate fixing (HK$234,000,000)	2.96%
– floating rate (remaining)	HIBOR plus 1%

The bank loans stated above were deconsolidated from the financial statements of the Group on 1 April 2008. However, since the Company provides corporate guarantees for all the bank loans, the Company is therefore liable to financial guarantee liabilities of approximately HK$1,118,325,000.

BUSINESS REVIEW

The Company is an investment holding Company and the principal activities of its subsidiaries were engaged in fashion garments business.

As the current members of the Board have been appointed after the six months period ended 30 September 2008, and there in no contact with former Directors, the Board makes no representation to the business performance during this financial period.

After the appointment of the Provisional Liquidators on 6 October 2008, the then management of the Company together with the Provisional Liquidators used their best endeavour to maintain the business of the Group both in Hong Kong and the PRC. Notwithstanding subsequent changes in personnels as the Provisional Liquidators gradually replaced the management team, the total turnover achieved by the Group according to the financial statements of the Group for the year ended 31 March 2009 was approximately HK$124 million.

Due to the lack of working capital affecting a continued flow of new products for the retail market, and against the high shop rental costs, the Provisional Liquidators decided to close down the retail operations pro tem.

Currently, the only business carried out by the Company is garment wholesale trading, which was resumed from early August 2009. The garment trading business carried out by the Group is in the same line with the original principal trading business of the Company prior to the suspension of the trading in its shares on the Stock Exchange. For the six months ended 30 September 2009, total garment trading turnover achieved by the Group was approximately HK$21 million.

In mid December 2009, the Group started a discussion with two potential joint venture partners in relation to the establishment of a PRC joint venture to recommence its garment retail business in the PRC and to expand its garment trading business both in the PRC and other countries. It is expected that the PRC joint venture can be set up by early March 2010.

RESTRUCTURING OF THE GROUP

On 16 May 2009, the Company, the Provisional Liquidators, the Investor and an escrow agent, entered into an escrow agreement for the implementation of the restructuring proposal.

On 2 July 2009, UR Group Limited ("UR Group"), a new wholly-owned subsidiary of the Company was incorporated in the British Virgin Islands. UR Group is an investment holding company which beneficially owns 100% interest in both U-RIGHT Trading Development Limited ("URTDL") and Nano Garment Holdings Limited ("NGHL"). URTDL and NGHL were both incorporated in Hong Kong on 17 July 2009. Since August 2009, the Group's trading of garments business has been carried out through URTDL.

The Provisional Liquidators have appointed Asian Capital (Corporate Finance) Limited as the financial adviser to the Company for the restructuring of the Group. The Company is in the process of taking the steps necessary to prepare a viable resumption proposal to be submitted to Stock Exchange.

On 14 January 2010, a supplementary escrow agreement was executed by the Provisional Liquidators, the Investor, the Company and the escrow agent, setting out the terms on which, in exchange for the Investor providing funds, the debts and liabilities of the Company would be settled through the Scheme of Arrangement (the escrow agreement together with the supplemental escrow agreement collectively referred to as "Restructuring Agreement"). The principal elements of the Restructuring Agreement are as follows:

a) Capital Restructuring

The Company will undergo a capital restructuring, involving a capital reduction, a capital cancellation, a share consolidation, an authorized share capital increase and a cancellation of the existing convertible bonds.

b) Share Subscription

The Company will raise new capital amounting to approximately HK$150 million by way of the ordinary share subscription and the issue of the convertible bonds to the Investor.

c) **Scheme and Debt Restructuring**

Pursuant to the restructuring proposal, the Provisional Liquidators will implement a scheme of arrangement to settle the debts owed to the creditors by approximately HK$50 million cash (from the proceeds of subscription for shares) and by approximately 5% of issued shares of the Company as enlarged by the share subscription.

The Investor would become a controlling shareholder of the Company upon completion of the proposed restructuring of the Group as contemplated under the Restructuring Agreement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 September 2008, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CODE ON CORPORATE GOVERNANCE PRACTICES

Mr. CHUNG Wai Man and Mr. MAK Ka Wing Patrick were appointed as independent non-executive Directors on 15 January 2009. Mr. TANG Kwok Hung was appointed as executive Director on 1 February 2010. Consequently, the current Board is unable to comment as to whether the Company has complied with the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules throughout the six months ended 30 September 2008.

AUDIT COMMITTEES

By the time the financial statements for the six months ended 30 September 2008 of the Group were prepared, no audit committee had been established owing to the current insufficient number of non-executive directors in accordance with Rule 3.21 of the Listing Rules. Appropriate personnel will be appointed as members of audit committee before the resumption of the trading in the shares of the Company.

The interim results have not been reviewed by the audit committee nor the Company's auditor.

PUBLICATION OF INFORMATION ON WEBSITES

This results announcement is available for viewing on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and on the website of the Company at www.uright-627.info.

By Order of the Board, for
U-RIGHT International
Holdings Limited
(Provisional Liquidators Appointed)
Mr. TANG Kwok Hung
Director

Hong Kong, 3 February 2010.

As at the date of this announcement, the Board comprises one executive director, namely Mr. TANG Kwok Hung and two independent non-executive directors, namely Mr. CHUNG Wai Man and Mr. MAK Ka Wing Patrick.

* *For identification purposes only*