TACK FIORI INTERNATIONAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 928)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015

INTERIM RESULTS

The Board of Directors of Tack Fiori International Group Limited (the "Company") announced the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 September 2015, together with comparative figures for the corresponding period, which have been reviewed by the Company's Audit Committee and the Company's auditor in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants, are as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2015
(Amounts expressed in Hong Kong dollars)

		Unaudited Six months ended 30 September	
		2015	2014
	Notes	***$'000***	*$'000*
Turnover	*4*	**4,352**	4,651
Cost of sales and services		**(1,270)**	(4,523)
Gross profit		**3,082**	128
Other income and gain		**715**	2
Selling and distribution costs		**(752)**	(5,112)
Administrative and other operating expenses		**(19,439)**	(13,410)
Impairment on goodwill	*5*	**(3,842)**	–
Impairment on inventories	*6*	**(879)**	(9,330)
Loss before taxation	*7*	**(21,115)**	(27,722)
Income tax	*8*	**(4)**	–
Loss for the period attributable to owners of the Company		**(21,119)**	(27,722)
Loss for the period		**(21,119)**	(27,722)
Other comprehensive expense that may be reclassified subsequently to profit or loss: Exchange differences arising from translations		**(1,248)**	(33)
Total comprehensive expense for the period		**(22,367)**	(27,755)
Loss for the period attributable to owners of the Company		**(22,367)**	(27,722)
Total comprehensive expense for the period attributable to owners of the Company		**(22,367)**	(27,755)
Loss per share	*9*		
— Basic and diluted		**0.98 cent**	1.29 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2015
(Amounts expressed in Hong Kong dollars)

	Notes	**Unaudited 30 September 2015 $'000**	Audited 31 March 2015 $'000
Non-current assets			
Property, plant and equipment		**1,376**	1,730
Goodwill	*5*	**–**	3,842
Prepayments for acquisition of intangible asset	*10*	**12,485**	–
		13,861	5,572
Current assets			
Financial asset at fair value through profit or loss	*11*	**9,756**	–
Inventories		**4,402**	5,023
Trade and other receivables	*12*	**4,127**	4,993
Bank balances and cash		**59,009**	97,670
		77,294	107,686
Current liabilities			
Other payables		**11,061**	10,797
Net current assets		**66,233**	96,889
NET ASSETS		**80,094**	102,461
CAPITAL AND RESERVES			
Share capital	*13*	**21,444**	21,444
Reserves		**58,650**	81,017
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**80,094**	102,461

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

1 GENERAL

Tack Fiori International Group Limited (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 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business is Room 2201, 22th Floor, Kwan Chart Tower, No. 6 Tonnochy Road, Wanchai, Hong Kong.

The Company is principally engaged in investment holding. The Company and its subsidiaries (the "Group") are principally engaged in (i) development and promotion of education software products and provision of technical support services in the People's Republic of China (the "PRC"); (ii) apparel retail business in the PRC; and (iii) securities trading and investments business.

The presentation currency of the unaudited condensed consolidated financial statements is Hong Kong dollars ("HK$"). For the convenience of the unaudited condensed consolidated financial statements users, the results and financial position of the Group are presented in HK$ as the Company's shares are listed on The Stock Exchange of Hong Kong Limited. All values are rounded to the nearest thousand ($'000) except otherwise indicated.

2 BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

3 PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis.

Except as described below, the accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 September 2015 are the same as those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2015.

Financial assets at fair value through profit or loss ("FVTPL")

Financial assets are classified as at FVTPL when the financial asset is either held for trading and those designated as at FVTPL.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 "Financial Instruments: Recognition and Measurement" permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the other income and gain line item in the condensed consolidated statement of profit or loss and other comprehensive income. Fair value is determined in the manner described in note 14.

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant for the preparation of the Group's unaudited condensed consolidated financial statements:

Amendments to HKFRSs	Annual improvements to HKFRSs 2010–2012 cycle
Amendments to HKFRSs	Annual improvements to HKFRSs 2011–2013 cycle
Amendments to HKAS 19	Defined benefit plans: Employee contributions

The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

4 TURNOVER AND SEGMENT INFORMATION

HKFRS 8 "Operating segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision makers ("CODM") in order to allocate resources to the segment and to assess its performance. Relevant information was reported to the executive directors of the Company, being the CODM, for the purposes of resource allocation and assessment of segment performance focusing on types of goods or services delivered or provided.

The Group is organised into the following three major operating segments, each of which represents an operating and reportable segment of the Group:

(i) Education software products and related services business

(ii) Apparel retail business

(iii) Securities trading and investments

The following is an analysis of the Group's turnover and results by reportable and operating segments:

For the six months ended 30 September 2015 (Unaudited)

	Education software products and related services business *$'000*	**Apparel retail business** *$'000*	**Securities trading and investments** *$'000*	**Total** *$'000*
Gross proceeds from the disposal of held-for-trading investments	**–**	**–**	**–**	**–**
Segment revenue	**4,204**	**148**	**–**	**4,352**
Intra-segment revenue	**–**	**–**	**–**	**–**
Consolidated revenue from external customers	**4,204**	**148**	**–**	**4,352**
Change in fair value of held-for-trading investments, included in segment result	**–**	**–**	**–**	**–**
Segment result	**(3,769)**	**(3,001)**	**(8)**	**(6,778)**
Unallocated corporate expenses				**(14,839)**
Other income and gain				**502**
Loss before taxation				**(21,115)**

For the six months ended 30 September 2014 (Unaudited)

	Education software products and related services business *$'000*	Apparel retail business *$'000*	Securities trading and investments *$'000*	Total *$'000*
Gross proceeds from the disposal of held-for-trading investments	–	–	–	–
Segment revenue	–	5,633	–	5,633
Intra-segment revenue	–	(982)	–	(982)
Consolidated revenue from external customers	–	4,651	–	4,651
Change in fair value of held-for-trading investments, included in segment result	–	–	–	–
Segment result	–	(19,527)	(3)	(19,530)
Unallocated corporate expenses				(8,194)
Other income and gain				2
Loss before taxation				(27,722)

Segment loss represents the loss resulted in each segment without allocation of other income and gain and unallocated corporate expenses. This is the measure for reporting to the Group's CODM for the purpose of resource allocation and performance assessment.

Segment assets and liabilities

Amounts of segment assets and liabilities of the Group are not reviewed by the Group's CODM or otherwise regularly provided to the CODM, accordingly, segment assets and liabilities are not presented.

5 IMPAIRMENT ON GOODWILL

The carrying amount of goodwill was related to the cash-generating unit of education software products and related services business.

The recoverable amount of this unit has been determined based on a value in use calculation. For impairment purpose, the calculation uses cash flow projections based on the financial budgets approved by management for the coming year and using a discount rate of 10.65% and the cash flow from 2nd year onwards are extrapolated using a zero growth rate. Another key assumption for the value in use calculation relates to the estimation of cash inflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development. As the recoverable amount of the cash-generating unit of education software products and related services business is lower than its carrying amount, an impairment of HK$3,842,000, which represented the full amount of goodwill has been recognised during the six months ended 30 September 2015.

6 IMPAIRMENT ON INVENTORIES

At the end of the reporting period, the directors of the Company had performed a detailed review on the aged inventories of the Group and recognised an impairment loss of approximately HK$879,000 (six months ended 30 September 2014: HK$9,330,000) on certain aged inventories of the apparel retail business, of which their net realisable value are lower than their carrying amounts.

7 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

	Unaudited Six months ended 30 September	
	2015	2014
	$'000	*$'000*
Cost of inventories recognised as expenses	**1,145**	4,523
Depreciation of property, plant and equipment	**402**	268
Amortisation of trademark	**–**	63
Loss on disposal of property, plant and equipment	**15**	376
Interest income	**(502)**	(2)

8 INCOME TAX

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both interim periods. No Hong Kong Profits Tax was provided as there was no assessable profits for both interim periods.

PRC Enterprise Income Tax is calculated at 25% of estimated assessable profits for both interim periods. For the period ended 30 September 2015, income tax represents PRC Enterprise Income Tax provided based on the assessable profit of a PRC subsidiary.

9 LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	Unaudited Six months ended 30 September 2015 $'000	2014 $'000
Loss		
Loss for the purpose of basic and diluted loss per share	**21,119**	27,722
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**2,144,421**	2,144,421

There were no share options outstanding during the six months period ended 30 September 2015 and 2014.

10 PREPAYMENTS FOR ACQUISITION OF INTANGIBLE ASSET

On 30 April 2015, the Group, through its indirect wholly-owned subsidiary (the "Distributor"), entered into distribution agreements (the "Distribution Agreements") for a term from 30 April 2015 to 31 March 2017 (the "Term") with an independent licensor ("Licensor"), pursuant to which the Distributor was appointed as the exclusive authorised distributor and vested with the rights of distribution and marketing of the mobile version (including on the Android and iOS platforms) of the games "Neon Genesis Evangelion" (新世紀福音戰士) and "Sakura Wars" (櫻花大戰) (collectively referred as to the "Games") and their related products in the PRC, Hong Kong, Macau and Taiwan (the "Authorised Regions"). Pursuant to the Distribution Agreements, the Distributor shall pay an amount equivalent to 25% of its income received from the distribution of the Games to the Licensor as licence fees (the "License Fees"). The Distributor shall make a prepayment of RMB13 million under each of the Distribution Agreement (i.e. RMB26 million (approximately HK$31,997,000) under both Distribution Agreements in aggregate) to the Licensor by instalments according to the stage of development and distribution of the Games, which will be deducted from the licence fees payable after commencement of distribution of the Games. Upon the signing of the Distribution Agreements, RMB10 million (approximately HK$12,485,000) in aggregate was paid to the Licensor during the six months ended 30 September 2015 as prepayments ("First Prepayment").

The Licensor shall refund the First Prepayment, in full and with interest accrued thereon, to the Distributor and the Distributor is entitled to terminate the relevant Distribution Agreement upon the occurrence of any of the following events after the payment of the First Prepayment: (a) no income is generated from the Distributor's operation of the relevant Game or the income generated does not adequately cover the Licence Fees payable to the Licensor during the Term; or (b) the Licensor is unable to complete the testing of the relevant Game or release the relevant Game in the Authorised Regions according to the milestone dates as set out in the Distribution Agreements.

11 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

The amount represents an investment in a structured financial product issued by a state-owned bank in the PRC with variable return and with a maturity date on 19 October 2015. The structured financial product is designated at FVTPL on initial recognition as it contains non-closely related embedded derivative. The gross proceed received on maturity date was approximately HK$9,836,000. The directors consider the fair value of the structured financial product approximate to its carrying value at 30 September 2015,

12 TRADE AND OTHER RECEIVABLES

	At 30 September 2015 $'000 (unaudited)	At 31 March 2015 $'000 (audited)
Trade receivables	**3,488**	3,753
Other receivables	**639**	1,240
Total trade and other receivables	**4,127**	4,993

Retail sales conducted through outlet shops and e-commerce platforms are normally settled in cash or Alipay ("支付寶") or by credit card with the settlement from the corresponding banks or other financial institutions within 7 days. For receivables from retail sales conducted through authorised distributor, the Group allows a credit period of 14 days. For receivables from sales of education software products and provision of technical support services, the Group allows a credit period ranging from 30–180 days. The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period:

	At 30 September 2015 $'000 (unaudited)	At 31 March 2015 $'000 (audited)
Within 90 days	**1,771**	133
91–180 days	**1**	41
181–365 days	**–**	3,576
Over 1 year	**1,716**	3
	3,488	3,753

13 SHARE CAPITAL

	Notes	Number of shares '000	Share capital $'000
Authorised:			
Ordinary shares of HK$0.10 each at 1 April 2014		5,000,000	500,000
Share subdivision	*(a)*	45,000,000	–
Ordinary shares of HK$0.01 each at 30 September 2014, 1 April 2015 and 30 September 2015		50,000,000	500,000
Issued and fully paid:			
Ordinary shares of HK$0.10 each at 1 April 2014 *(audited)*		214,441	21,444
Share subdivision	*(a)*	1,929,980	–
Ordinary shares of HK$0.01 each at 30 September 2014 *(unaudited),* 1 April 2015 *(audited)* and 30 September 2015 *(unaudited)*		2,144,421	21,444

Notes:

(a) On 4 June 2014, the Company effected a share subdivision which subdivided each one existing issued and unissued share of HK$0.1 in the share capital of the Company into ten subdivided shares of HK$0.01 each.

14 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

(i) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Certain Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 30 September 2015, the Group's financial asset at fair value through profit or loss is measured at Level 3. There is no transfer between different levels of the fair value hierarchy for the six months ended 30 September 2015.

(ii) Fair value at the Group's financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The directors of the Company consider that the carrying amounts of financial assets recorded at amortised cost in the unaudited condensed consolidated financial statements approximate their fair values.

15 CAPITAL COMMITMENTS

	At 30 September 2015 *$'000* **(unaudited)**	At 31 March 2015 *$'000* (audited)
Commitments to acquire the intangible assets *(note 10)*	**19,512**	–

16 CONTINGENT LIABILITIES

The Group has no significant contingent liabilities at the end of the reporting period.

FINANCIAL RESULTS

For the six months ended 30 September 2015, the Group's loss for the period was approximately HK$21.12 million (six months ended 30 September 2014: HK$27.72 million), representing a decrease of 23.81% as compared to the corresponding period of last year. The decrease in loss is principally attributable to (i) the gross profit generated by the business segment of education software products and related services, a new business acquired in November 2014; and (ii) the decrease in impairment on inventories of approximately HK$8.45 million and selling and distribution cost of approximately HK$4.36 million; while partly offset by (i) the impairment on goodwill of approximately HK$3.84 million recognised during the current period; and (ii) the increase in legal and professional fee of HK$6.70 million (included in administrative and other operating expense) for certain merger and acquisition exercises of the Group during the period.

For the six months ended 30 September 2015, the Group recorded a turnover of approximately HK$4.35 million (six months ended 30 September 2014: HK$4.65 million), representing a decrease of approximately 6.43% as compared to the corresponding period of last year. Such decrease of turnover is primarily attributable to the decrease in turnover of apparel retail business of approximately HK$4.50 million, which resulted from the close down of certain retail shops as part of the Group's plan of change in focus of sales channels from shops to e-commerce, while partly offset by the turnover of HK$4.20 million which is arised from business segment of education software products and related services, a new business acquired by the Group in November 2014. The Group's overall gross profit margin was 70.82% (six months ended 30 September 2014: 2.75%). During the six months ended 30 September 2015, the Group's overall gross profit is primarily attributable to the business segment of education software products and related services (six months ended 30 September 2014: attributable to the apparel retail business).

BUSINESS REVIEW AND PROSPECTS

Education software products and related services business

A segment loss of approximately HK$3.77 million is generated by education software products and related services business, which is held by Beijing Xinzhitang Educational Technology Development Company Limited ("BJ Xinzhitang", a wholly owned subsidiary of the Group), the new business acquired by the Group in November 2014. The segment loss was primarily attributable to the impairment on goodwill of HK$3.84 million which was arised from the acquisition of BJ Xinzhitang in November 2014, and such amount was fully impaired during the period.

In view of the growing prospects in the education industry of the PRC, the Directors believe that BJ Xinzhitang would be able to take advantage of such industry growth and broaden the Group's source of income. The Directors also consider that there are various competitive advantages of BJ Xinzhitang, including (i) the industry expertise and experience of its management; (ii) secured and stable strategic business partners; (iii) good customers relationship with various major distributors, universities, colleges, bookstores and education centres; (iv) low production cost for its products; and (v) its profitability for the past financial years. Looking forward, BJ Xinzhitang will continue to broaden its customer base so as to increase the income stream of the Group, as well as updating its software products based on renewed published educational materials.

Apparel retail business

The apparel retail business segment result was a loss of approximately HK$3.00 million (six months ended 30 September 2014: HK$19.53 million), representing a decrease of approximately 84.63% when compared with the same period in the previous year. The decrease in segment loss was primarily attributable to (i) the benefit from cost saving as part of the Group's plan of change in focus of sales channels from shops to e-commerce, which includes the decrease in rent and staff cost from closing down those loss-making shops and retails outlet during the period; and (ii) the decrease in impairment on inventories of approximately HK$8.45 million recognised during the six months ended 30 September 2014.

The Board is of the view that the cost saving from such change in focus of sales channel of the Group's apparel business outweighs the investment sum in developing the e-commerce platform. The Board believes that such change is in the best interest of the Shareholders and the Company as a whole.

Securities trading and investments

During the current period, the Group had no securities trading activities, while the management is cautious in the performance of the securities trading market and the Group will continue to adopt a prudent approach in securities trading business with a view to strengthen the shareholders' value in the long run.

MOBILE GAME DISTRIBUTION AGREEMENTS

Pursuant to the Company's announcement dated 30 April 2015, the Group, through its indirect wholly-owned subsidiary (the "Distributor"), entered into distribution agreements (the "Distribution Agreements") for a term from 30 April 2015 to 31 March 2017 with an independent licensor ("Licensor"), pursuant to which the Distributor was appointed as the exclusive authorised distributor and vested with the rights of distribution and marketing of the mobile version (including on the Android and iOS platforms) of the games "Neon Genesis Evangelion" (新世紀福音戰士) and "Sakura Wars" (櫻花大戰) (collectively referred as to the "Games"), and their related products in the PRC, Hong Kong, Macau and Taiwan (the "Authorised Regions"). Pursuant to the Distribution Agreements, the Distributor shall pay an amount equivalent to 25% of its income received from the distribution of the Games to the Licensor as license fee. The Distributor shall make a prepayment of RMB13 million under each of the Distribution Agreement (i.e. RMB26 million under both Distribution Agreements in aggregate) to the Licensor by instalments according to the stage of development and distribution of the Games, which will be used by the Licensor to deduct the licence fee payable by the Distributor after commencement of distribution of the Games. Upon the signing of the Distribution Agreements, RMB10 million (approximately HK$12,485,000) in aggregate was paid to the Licensor during the six months ended 30 September 2015 as prepayments.

The Directors also consider the Games have the following competitive advantages: (i) "Neon Genesis Evangelion" (新世紀福音戰士) and "Sakura Wars" (櫻花大戰) are renowned Japanese television and movie animation series and video game series; (ii) both "Neon Genesis Evangelion" (新世紀福音戰士) and "Sakura Wars" (櫻花大戰) were developed in the 1990s and have accumulated popularity in the Authorised Regions; and (iii) the Licensor has successfully released various other popular mobile games in the PRC.

The Board believes that the entering into of the Distribution Agreements would diversify the Group's business portfolio and allow the Group to enter into the mobile games industry in the PRC and broaden the Group's source of income. Having considered the above, the Board is of the view that the operation of the mobile games business and particularly the Games will contribute positively to the Group. Looking forward, the Group will actively look for a suitable strategic partner, who specialises in mobile games distribution, to distribute the Games in the Authorised Regions. Besides, the Directors have been continuously identifying investment opportunities in order to diversify its existing business and develop new revenue streams to maximize returns to the shareholders.

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2015, the Group employed 60 employees excluding directors. The Group remunerates its employees based on their performance, working experience and prevailing market standards. Employee benefits include medical insurance coverage, mandatory provident fund and share option scheme.

AUDIT COMMITTEE

The unaudited condensed consolidated financial statements of the Company for the six months ended 30 September 2015 have not been audited, but have been reviewed by the Company's Audit Committee and the Company's auditor. The Audit Committee is comprised of three independent non-executive directors of the Company. The primary duties of the Audit Committee are, amongst other matters, to communicate with the management of the Company; and review the accounting principles and practices, internal control, interim and annual results of the Group.

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

For the six months ended 30 September 2015, neither the Company nor any of it subsidiaries purchased, redeemed or sold any of the Company's listed securities.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the six months ended 30 September 2015 (six months ended 30 September 2014: Nil).

CORPORATE GOVERNANCE

The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "CG Code") during the six months ended 30 September 2015, except for the following deviation:

— Code provision A.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

During the period under review, Mr. Wang Liang served as the Chairman of the Board and there was no chief executive officer appointed by the Company. The duties of chief executive officer had been undertaken by other executive members of the Board. In view of the simple structure of the Group, the Board was of the opinion that this arrangement would provide the Group with strong and consistent leadership and allow for more effective and efficient business decision making and execution.

— Code provision A.4.1 of the CG Code provides that non-executive directors should be appointed for a specific term, subject to re-election.

  The Independent Non-executive Directors and Non-executive Director were not appointed for specific terms. In accordance with the Provision 84 of the Articles of Association of the Company, at each annual general meeting one-third of the Directors for the time being (of, if their number is not a multiple of three, the number nearest to but not less than one-third) shall be retired from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are in line to those of the CG Code.

— The first part of the code provision E.1.2 of the CG Code provides that the chairman of the board should attend the annual general meeting. He should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. In their absence, he should invite another member of the committee or failing this his duly appointed delegate, to attend. These persons should be available to answer questions at the annual general meeting.

  The Chairman of the Board did not attend the annual general meeting of the Company held on 7 August 2015 (the "2015 AGM") as he had another business engagement. Mr. Zhang Jack Jiyei, an executive director of the Company, who took the chair of the 2015 AGM, and other members of the Board together with the chairmen of the Audit Committee and other member of the Remuneration and Nomination Committees attended the 2015 AGM. The Company considers that the members of the Board and the Audit, Remuneration and Nomination Committees who attended the 2015 AGM were already of sufficient caliber and number for answering questions at the 2015 AGM.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' transactions in the Company's securities. Following specific enquiry by the Company, all Directors confirmed that they have complied with the Model Code during the six months ended 30 September 2015.

PUBLICATION OF FINANCIAL INFORMATION

This results announcement is published on the respective websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.tackfiori.com). The Group's Interim Financial Report for 2015 will be despatched to the shareholders of the Company and available on the above websites in due course.

By order of the Board
TACK FIORI INTERNATIONAL GROUP LIMITED
Wang Liang
Chairman

Hong Kong, 23 November 2015

As at the date of this announcement, the Board comprises:

Executive Directors:
Mr. Wang Liang *(Chairman)*
Dr. Feng Xiaogang
Mr. Zhang Jack Jiyei

Non-executive Director:
Mr. Zhang Bao Yuan

Independent non-executive Directors:
Mr. Yau Yan Ming, Raymond
Mr. Lau Yu
Mr. Zheng Chunlei