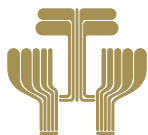




Interim Report 2009/10



TACK HSIN HOLDINGS LIMITED

Stock Code: 00611

CONTENTS

CORPORATE INFORMATION	2
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS	
Condensed Consolidated Income Statement	3
Condensed Consolidated Statement of Financial Position	4
Condensed Consolidated Statement of Changes in Equity	6
Condensed Consolidated Cash Flow Statement	7
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS	8
MANAGEMENT DISCUSSION AND ANALYSIS	14
OTHER INFORMATION	15

TACK HSIN HOLDINGS LIMITED

CORPORATE INFORMATION

Board of Directors

Executive Directors:

Mr. Chan Shu Kit (*Chairman*)
Mr. Kung Wing Yiu (*Deputy Chairman*)
Mr. Chan Ho Man
Ms. Jian Qing (*appointed on 19 October 2009*)

Independent non-executive Directors:

Mr. Kung Fan Cheong
Mr. Chan Ka Ling, Edmond
Mr. Lo Kin Cheung

Audit Committee

Mr. Chan Ka Ling, Edmond (*Chairman*)
Mr. Kung Fan Cheong
Mr. Lo Kin Cheung

Remuneration Committee

Mr. Chan Ka Ling, Edmond (*Chairman*)
Mr. Chan Shu Kit
Mr. Kung Fan Cheong
Mr. Lo Kin Cheung

Company Secretary

Mr. Tam Cheuk Ho

Principal Bankers

Chong Hing Bank Limited
HSBC Holdings Plc

Auditors

Ernst & Young
Certified Public Accountants
18th Floor
Two International Finance Centre
8 Finance Street, Central
Hong Kong

Hong Kong Legal Adviser

Richards Butler
19th Floor
Alexandra House
Central
Hong Kong

Bermuda Legal Adviser

Conyers, Dill & Pearman
2901 One Exchange Square
8 Connaught Place
Central
Hong Kong

Hong Kong Share Registrars

Tricor Tengis Limited
26th Floor
Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

Registered Office

Clarendon House
Church Street
Hamilton HM 11
Bermuda

Hong Kong Principal Office

Unit 1203 12/F
Peninsula Centre
67 Mody Road
Tsim Sha Tsui East
Kowloon
Hong Kong

Stock Code

611

Website

www.tackhsin.com
<http://tackhsin.etnet.com.hk>

TACK HSIN HOLDINGS LIMITED

The board of directors (the “Board”) of Tack Hsin Holdings Limited (the “Company”) is pleased to present the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2009, together with the comparative figures. These condensed consolidated interim financial statements have not been audited, but have been reviewed by the Company’s audit committee.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2009

		For the six months ended 30 September	
		2009	2008
		(Unaudited)	(Unaudited)
	<i>Notes</i>	HK\$'000	HK\$'000
REVENUE	2	127,847	124,637
Other income and gains		5,227	2,627
Cost of inventories used		(41,032)	(43,803)
Staff costs		(37,944)	(37,859)
Rental expenses		(18,363)	(15,506)
Utilities expenses		(10,861)	(10,755)
Depreciation		(3,242)	(2,605)
Other operating expenses		(17,962)	(17,206)
Finance costs	3	(215)	(239)
PROFIT/(LOSS) BEFORE TAX	4	3,455	(709)
Tax	5	(730)	(300)
PROFIT/(LOSS) FOR THE PERIOD		2,725	(1,009)
Attributable to:			
Equity holders of the parent		1,856	(1,057)
Minority interests		869	48
		2,725	(1,009)
PROFIT/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
BASIC	6	0.52 cents	(0.29 cents)
DIVIDEND	7	3,603	3,603

“Profit/(Loss) for the period” represents the “total comprehensive income/(expense)” for the six months ended 30 September 2008 and 2009, no consolidated statement of comprehensive income is presented.

TACK HSIN HOLDINGS LIMITED**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

30 September 2009

	<i>Notes</i>	30 September 2009 (Unaudited) HK\$'000	31 March 2009 (Audited) HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	8	28,828	26,206
Investment properties		27,500	23,000
Prepaid land lease payments		7,225	7,275
Property held for development		4,665	4,665
Deferred tax assets, net		1,730	1,924
Total non-current assets		69,948	63,070
CURRENT ASSETS			
Inventories		4,766	3,238
Trade receivables	9	819	726
Prepayments, deposits and other receivables		16,105	16,815
Cash and cash equivalents		33,103	41,120
Total current assets		54,793	61,899
CURRENT LIABILITIES			
Trade payables	10	5,285	4,852
Other payables and accruals		20,171	17,758
Tax payable		774	173
Interest-bearing bank borrowings	11	554	542
Provision for long service payments		1,721	2,372
Dividend payable		3,603	–
Total current liabilities		32,108	25,697
NET CURRENT ASSETS		22,685	36,202
TOTAL ASSETS LESS CURRENT LIABILITIES		92,633	99,272
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings	11	9,409	9,689
Deferred tax liabilities, net	5	274	338
Total non-current liabilities		9,683	10,027
Net assets		82,950	89,245

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION*(continued)**30 September 2009*

	30 September 2009	31 March 2009
<i>Notes</i>	(Unaudited) HK\$'000	(Audited) HK\$'000
EQUITY		
Equity attributable to equity holders of the parent		
Issued capital	36,032	36,032
Reserves	44,525	46,284
Proposed final dividend	–	5,405
	80,557	87,721
Minority interests	2,393	1,524
Total equity	82,950	89,245

TACK HSIN HOLDINGS LIMITED**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY***For the six months ended 30 September 2009*

	Attributable to equity holders of the parent								
	Issued share capital (Unaudited) <i>HK\$'000</i>	Share premium account (Unaudited) <i>HK\$'000</i>	Contributed surplus (Unaudited) <i>HK\$'000</i>	Fixed asset revaluation reserve (Unaudited) <i>HK\$'000</i>	Retained profits (Unaudited) <i>HK\$'000</i>	Proposed		Minority interests (Unaudited) <i>HK\$'000</i>	Total equity (Unaudited) <i>HK\$'000</i>
						final dividend (Unaudited) <i>HK\$'000</i>	Total (Unaudited) <i>HK\$'000</i>		
At 1 April 2009	36,032	37,934	-	417	7,933	5,405	87,721	1,524	89,245
Surplus arising from revaluation	-	-	-	(12)	-	-	(12)	-	(12)
Total comprehensive income for the period	-	-	-	-	1,856	-	1,856	869	2,725
Final 2009 dividend paid	-	-	-	-	-	(5,405)	(5,405)	-	(5,405)
Interim dividend (<i>note 7</i>)	-	-	-	-	(3,603)	-	(3,603)	-	(3,603)
At 30 September 2009	36,032	37,934	-	405	6,186	-	80,557	2,393	82,950
At 1 April 2008	36,032	37,934	5,266	348	7,069	9,008	95,657	306	95,963
Surplus arising from revaluation	-	-	-	102	-	-	102	-	102
Total comprehensive income/(expense) for the period	-	-	-	-	(1,057)	-	(1,057)	48	(1,009)
Final 2008 dividend declared	-	-	-	-	-	(9,008)	(9,008)	-	(9,008)
Interim dividend (<i>note 7</i>)	-	-	(3,603)	-	-	-	(3,603)	-	(3,603)
At 30 September 2008	36,032	37,934	1,663	450	6,012	-	82,091	354	82,445

CONDENSED CONSOLIDATED CASH FLOW STATEMENT*For the six months ended 30 September 2009*

	For the six months ended 30 September	
	2009 (Unaudited) HK\$'000	2008 (Unaudited) HK\$'000
Net cash inflow from operating activities	3,692	1,487
Net cash outflow from investing activities	(5,835)	(10,385)
Net cash outflow from financing activities	(5,874)	(9,489)
Net decrease in cash and cash equivalents	(8,017)	(18,387)
Cash and cash equivalents at beginning of period	41,120	51,484
Cash and cash equivalents at end of period	33,103	33,097
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	22,102	15,597
Non-pledged time deposits with original maturity of less than three months when acquired	11,001	17,500
	33,103	33,097

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2009

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The condensed consolidated interim financial statements for the six months ended 30 September 2009 (the “Period”) are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 March 2009, except in relation to the following new and revised Hong Kong Financial Reporting Standards (“HKFRSs”, which also include HKASs and Interpretations) that affect the Company and the Group and are adopted for the first time for the current period’s financial information:

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of HKFRSs</i> and HKAS 27 <i>Consolidated and Separate Financial Statements - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i>
HKFRS 2 Amendments	Amendments to HKFRS 2 <i>Share-based Payment – Vesting Conditions and Cancellations</i>
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Improving Disclosures about Financial Instruments</i>
HKFRS 8	<i>Operating Segments</i>
HKAS 1 (Revised)	<i>Presentation of Financial Statements</i>
HKAS 10	<i>Events after the Balance Sheet Date</i>
HKAS 18	<i>Revenue</i>
HKAS 23 (Revised)	<i>Borrowing Costs</i>
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation</i>
HK(IFRIC)-Int 9 and HKAS 39 Amendments	<i>Reassessment of Embedded Derivative</i>
HK(IFRIC)-Int 13	<i>Customer Loyalty Programmes</i>
HK(IFRIC)-Int 15	<i>Agreements for the Construction of Real Estate</i>
HK(IFRIC)-Int 16	<i>Hedges of a Net Investment in a Foreign Operation</i>

Apart from the above, the Group has also adopted *Improvements to HKFRSs** which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording.

* Improvements to HKFRSs contains amendments to HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.

Except for HKFRS 8 and HKAS 1 (revised) giving rise to new accounting policies and additional disclosure as further described below, the adoption of the new interpretations and amendments has had no significant effect on these condensed consolidated interim financial statements.

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

(a) HKFRS 8 *Operating Segment*

HKFRS 8, which replaces HKAS 14 *Segment Reporting*, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosures of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers.

(b) HKAS 1 (Revised) *Presentation of Financial Statements*

HKAS 1 (Revised) introduces changes in presentation and disclosures of financial statements. The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this standard introduces the statement of comprehensive income, with all items of income and expense recognised in profit, or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements.

2. SEGMENT INFORMATION

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products they provide. Each of the Group's business segments represents a strategic business unit that offers products which are subject to risks and returns that are different from those of the other business segments. The following table presents revenue and results for the Group's business segments for the six months ended 30 September 2009 and 2008.

	Restaurant		Hotel		Property		Corporate		Eliminations		Consolidated	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:												
Revenue	123,027	120,929	4,418	3,306	9,230	9,227	3,605	3,724	(12,433)	(12,549)	127,847	124,637
Other income and gains	565	998	120	58	4,516	1,350	625	740	(624)	(740)	5,202	2,406
Total	123,592	121,927	4,538	3,364	13,746	10,577	4,230	4,464	(13,057)	(13,289)	133,049	127,043
Segment results	(2,538)	(5,726)	(2,677)	276	9,908	6,504	(652)	(1,745)	(396)	-	3,645	(691)
Interest income											25	221
Finance costs											(215)	(239)
Profit/(Loss) before tax											3,455	(709)
Tax											(730)	(300)
Profit/(Loss) for the period											2,725	(1,009)

TACK HSIN HOLDINGS LIMITED**3. FINANCE COSTS**

	For the six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Interest on bank loans and overdrafts wholly repayable within five years	<u>215</u>	<u>239</u>

4. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	For the six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Recognition of prepaid land lease payments	50	51
(Surplus)/deficit arising from revaluation of buildings	(16)	11
Write back of deposits for disposal of property held for development	-	(1,350)
Fair value gains on investment properties	<u>(4,500)</u>	<u>-</u>

5. TAX

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the period.

	For the six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Current		
Charge for the year	601	-
Deferred	<u>129</u>	<u>300</u>
Total tax charge for the period	<u>730</u>	<u>300</u>

6. PROFIT/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earning/(loss) per share amounts is based on the unaudited profit/(loss) for the period attributable to ordinary equity holders of the parent of approximately HK\$1,856,000 (2008: loss of HK\$1,057,000), and the 360,321,620 ordinary shares of the Company in issue during the period.

Diluted earnings/(losses) per share amounts for the periods ended 30 September 2009 and 2008 have not been disclosed as no diluting events existed during the periods.

7. DIVIDEND

The Board has resolved to declare an interim dividend of HK1 cent (2008: HK1 cent) per ordinary share in issue in respect of the six months ended 30 September 2009 payable on 28 January 2010 to shareholders whose names are on the Register of Members of the Company on 13 January 2010.

8. ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT

During the period, the Group incurred approximately HK\$5,859,000 (2008: HK\$8,054,000) on the acquisition of property, plant and equipment.

9. TRADE RECEIVABLES

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

	30 September 2009 (Unaudited) HK\$'000	31 March 2009 (Audited) HK\$'000
Within 3 months	512	638
4 to 6 months	149	66
7 to 12 months	158	22
Total	819	726

The Group's trading terms with customers are mainly by cash and credit card settlement, except for certain well-established customers where the terms vary with customers. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. In view of the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

TACK HSIN HOLDINGS LIMITED**10. TRADE PAYABLES**

An aged analysis of the trade payables as at the balance sheet date, based on the invoice date, is as follows:

	30 September 2009 (Unaudited) HK\$'000	31 March 2009 (Audited) HK\$'000
Within 3 months	<u>5,285</u>	<u>4,852</u>

The trade payables are non-interest-bearing and are normally settled on 30-day terms.

11. INTEREST-BEARING BANK BORROWINGS

At 30 September 2009, the bank loan was secured by the Group's investment properties with carrying values of HK\$27,500,000 (31 March 2009: HK\$23,000,000) and guarantees given by the Company and a subsidiary.

12. CONTINGENT LIABILITIES

At the balance sheet date, contingent liabilities not provided for in these financial statements were as follows:

- (a) The Company provided guarantees to banks in connection with banking facilities granted to its subsidiaries amounting to HK\$22,600,000 (31 March 2009: HK\$22,600,000), of which approximately HK\$9,963,000 (31 March 2009: HK\$10,231,000) had been utilised at the balance sheet date.
- (b) The Company provided a guarantee to a third party in connection with rental payments of a subsidiary amounting to approximately HK\$12,888,000 (31 March 2009: HK\$18,768,000).

13. RELATED PARTY TRANSACTIONS**(a) Transactions with related parties**

	<i>Notes</i>	For the six months ended 30 September	
		2009 (Unaudited) HK\$'000	2008 (Unaudited) HK\$'000
Transactions with a director:			
Rental expenses paid	(i)	36	36

Notes:

- (i) The Group paid rental expenses to a director of the Company. The rentals were determined with reference to open market rentals.

(b) Compensation of key management personnel of the Group

	For the six months ended 30 September	
	2009 (Unaudited) HK\$'000	2008 (Unaudited) HK\$'000
Short term employee benefits	1,117	1,117
Post-employment benefits	23	23
Total compensation paid to key management personnel	1,140	1,140

14. POST BALANCE SHEET EVENT

Subsequent to the balance sheet date, the Group had the following significant post balance events:

- (a) On 15 September 2009, the Company entered into a conditional agreement with a third party ("the Placing Agent"), of which the Company has agreed to place, through the Placing Agent on a fully-underwritten basis, 72,000,000 warrants to independent placees at the issue price of HK\$0.02 per warrant. Each warrant carries the right to subscribe for one share at HK\$0.90 per share. The warrants were issued on 19 October 2009.
- (b) On 15 September 2009, the Company entered into a subscription agreement with a third party ("the Subscriber"), whereby the Company has conditionally agreed to issue, and the subscriber has conditionally agreed to subscribe for the convertible bonds in the principal amount of HK\$80,000,000. The convertible bonds carry the right to convert at HK\$0.4 per share, subject to standard adjustment clauses including consolidation or subdivision of the shares, capitalisation of profits or reserves, capital distributions, issues of shares and other securities by way of rights and issue of new shares at a price which is less than 90% of the then market price of shares. The convertible bonds were issued on 16 November 2009.

15. APPROVAL OF THE FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were approved and authorised for issue by the board of directors on 18 December 2009.

RESULTS

The Group's unaudited consolidated revenue for the first half of the financial year was HK\$127,847,000 (2008: HK\$124,637,000), and the unaudited consolidated profit/(loss) attributable to ordinary equity holders of the parent was HK\$1,856,000 (2008: loss of HK\$1,057,000).

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Operations

The Group achieved satisfactory results in the first half of the year. The Hong Kong's economy rallied as the outside market trend. Despite the inevitable effect of H1N1 flu during the period, our business was improved accordingly with the later pick-up of foods consumption.

The Group's Sunny Day Hotel commenced full scale operation in June 2009, which is located at 182 Nathan Road, Tsimshatsui in the centre of downtown adjacent to parks, featuring with beautiful views and convenient shopping access. During the period, just then H1N1 flu broke out, and the results in the first half of the year was hence not satisfactory but the business maintained stable recently. In line with its diversified business, the Group opened new dim sum stores under Joy Cuisine brand, featuring with various terrific special dim sum, so as to cater for youngsters' demand in the market.

The adjustments in food prices due to the outbreak of H1N1 flu in the first half of the year resulted in the reduced costs. As compared with the corresponding period of last year, our gross profit margin increased by 3 percentage points, and our overall gross profit margin remained at over 67%.

At present, the Group has adequate cash without any liquidity problem.

Liquidity and Financial Resources

As at 30 September 2009, the Group's liquidity and financial resources comprised a floating rate bank loan of HK\$9,963,000 (31 March 2009: HK\$10,231,000), which was secured by the pledge over certain properties, among which HK\$554,000 (31 March 2009: HK\$542,000) is due within a year, HK\$9,409,000 (31 March 2009: HK\$2,416,000) is due within 2-5 years, and no amount is due after 5 years (31 March 2009: HK\$7,273,000). As at 30 September 2009, the Group had cash and cash equivalents of approximately HK\$33,103,000, the majority of which are non-pledged deposits with original maturity of three months or less. In addition, the shareholders' equity was HK\$82,950,000 (31 March 2009: HK\$89,245,000). At the balance sheet date, the ratio of non-current liabilities to shareholders' equity was 0.12 (31 March 2009: 0.11).

The Group's bank borrowings, bank deposits and cash are mainly denominated in Hong Kong dollars, and hence it is not exposed to exchange risk. The Group has not used any financial instrument for hedging purpose.

Contingent Liabilities

At the balance sheet date, the Group had no significant contingent liabilities.

Number of Employees and Remuneration Policy

As at 30 September 2009, the Group had 556 employees, the remuneration packages of whom are being reviewed annually with reference to the prevailing market condition.

For the six months ended 30 September 2009, the Group did not establish any share option scheme for its staff.

OUTLOOK

The Group is cautiously optimistic to market outlook, and actively seeks business opportunities and closely monitors the market trend from time to time. Meanwhile, it enhances supervision on the utilization of its internal resources and improves the external competitive strategies. In addition, the Group reinforces its value-added services to maintain its competitive edge in the market, ranking this as its primary task. The Group believes that those continuous internal and external micro adjustments will bring to it long-term ideal returns.

OTHER INFORMATION

Directors' Interests and Short Positions in Shares

As at 30 September 2009, the interests and short positions of the directors in the share capital of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

Long positions in ordinary shares of the Company

Name of director	Number of ordinary shares held, capacity and nature of interest		Total	Percentage of the Company's issued share capital
	Directly beneficially owned	Through controlled corporation		
Chan Shu Kit	–	114,240,000 (note)	114,240,000	31.70
Kung Wing Yiu	7,802,000	–	7,802,000	2.16

Note: These shares are held through Hoylake Holdings Limited, a company wholly owned by Chan Shu Kit.

TACK HSIN HOLDINGS LIMITED

Save as disclosed above, as at 30 September 2009, none of the directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Rights to Acquire Shares or Debentures

At no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

Substantial Shareholders' and Other Persons' Interests in Shares

As at 30 September 2009, the following interests of 5% or more of the share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

(a) Long positions in ordinary shares of the Company:

Name	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital
Hoylake Holdings Limited <i>(note)</i>	Directly beneficially owned	114,240,000	31.70
Ma Lan	Directly beneficially owned	26,910,000	7.47

Note: This interest has also been disclosed as an interest of Chan Shu Kit under the section headed "Directors' interests and short positions in shares" above.

(b) Long positions in underlying shares of the Company:

Name	Capacity and nature of interest	Number of underlying shares held	Percentage of the Company's issued share capital
Lee Yu Leung <i>(note 1)</i>	Interest of a controlled corporation	200,000,000	35.69
Project Giant Investments Limited <i>(note 1)</i>	Directly beneficially owned	200,000,000	35.69
China Fortune Group Limited <i>(note 2)</i>	Interest of controlled corporations	72,000,000	19.98
Fortune Financial (Holdings) Limited <i>(note 2)</i>	Interest of a controlled corporation	72,000,000	19.98
Fortune (HK) Securities Limited <i>(note 2)</i>	Directly beneficially owned	72,000,000	19.98

Notes:

1. Such interests in 200,000,000 underlying shares of the Company are derived from the zero coupon rate unsecured redeemable convertible bonds due 2012 in the principal amount of HK\$80,000,000, which are unlisted and physically settled. Lee Yu Leung is deemed to be interested in these underlying shares by virtue of his 100% interests in Project Giant Investments Limited.
2. Such interests in 72,000,000 underlying shares of the Company are derived from 72,000,000 warrants of the Company, which are unlisted and cash settled. China Fortune Group Limited is deemed to be interested in these underlying shares by virtue of its 100% interests in Fortune Financial (Holdings) Limited which in turn holds 100% interests in Fortune (HK) Securities Limited.

Save as disclosed above, as at 30 September 2009, no person, other than the directors of the Company, whose interests are set out in the section headed "Directors' interests and short positions in shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

Change of Director's Information

Subsequent to publication of the Annual Report 2009, the Company received notifications regarding the following changes of directors' information:

- (1) Mr. Chan Shu Kit, Mr. Kung Wing Yiu and Mr. Chan Ho Man, Executive Directors of the Company, have entered into a service agreement with the Company on 1 April 2009 for a term of two years and are subject to retirement and re-election at each annual general meeting of the Company in accordance with the bye-laws of the Company.
- (2) Mr. Chan Ka Ling, Edmond, Mr. Kung Fan Cheong and Mr. Lo Kin Cheung, Independent Non-executive Directors of the Company, have entered into a service agreement with the Company with effect from 1 April 2009 and are subject to retirement and re-election at each annual general meeting of the Company in accordance with the bye-laws of the Company and the appointment shall be extended for a further period of calendar years, until 31 March 2011.
- (3) Mr. Chan Ka Ling, Edmond was appointed as director of Kreston CAC CPA Limited with effect from 28 October 2009.
- (4) Mr. Lo Kin Cheung is the Chief Financial Officer of Toppan Leefung (Hong Kong) Limited with effect from 1 October 2009.

Closure of Register of Members

The Register of Members of the Company will be closed from Monday, 11 January 2010 to Wednesday, 13 January 2010, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 8 January 2010.

TACK HSIN HOLDINGS LIMITED

Purchase, Redemption or Sale of Listed Securities of the Company

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 September 2009.

Corporate Governance

In the opinion of the directors, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the accounting period covered by the interim report for the six months ended 30 September 2009, except for the deviation as mentioned below.

Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have a separate Chairman and Chief Executive Officer and Mr. Chan Shu Kit currently holds both positions. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person provides the Group with strong and consistent leadership and allows for more effective planning and execution of long-term business strategies.

Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct for dealings in securities of the Company by the directors. Having made specific enquiry on all directors of the Company, they confirmed that they have complied with the required standard set out in the Model Code throughout the accounting period covered by the interim report.

Audit Committee

The Company has an audit committee (the "Audit Committee") which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises three members, namely Mr. Kung Fan Cheong, Mr. Chan Ka Ling, Edmond and Mr. Lo Kin Cheung, all are independent non-executive directors of the Company. The unaudited interim report for the six months ended 30 September 2009 has been reviewed by the Audit Committee.

On behalf of the Board
Chan Shu Kit
Chairman

Hong Kong
18 December 2009