福 記 食 品 服 務 控 股 有 限 公 司
（已委任臨時清盤人）

FU JI Food and Catering Services Holdings Limited

(Provisional Liquidators Appointed)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 1175)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2010

The board (the "Board") of directors of FU JI Food and Catering Services 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 2010 together with comparative figures for the previous period:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 September 2010

		Six months ended 30 September	
		2010	2009
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Turnover	*4*	**66,403**	65,794
Cost of materials consumed		**(45,069)**	(56,646)
Gross profit		**21,334**	9,148
Other income		**87**	638
Staff costs		**(14,993)**	(22,871)
Operating lease rentals		**(2,809)**	(5,073)
Depreciation		**(4,851)**	(4,833)
Fuel and utility costs		**(4,202)**	(5,089)
Consumable stores		**(2,103)**	(1,316)
Other operating expenses		**(49,760)**	(10,981)
Impairments on due from deconsolidated subsidiaries		**(167,654)**	(125,011)
Loss on disposal of property, plant and equipment		**–**	(94)
Impairment of prepayments, deposits and other receivables		**–**	(504)

	Notes	Six months ended 30 September 2010 RMB'000 (Unaudited)	2009 RMB'000 (Unaudited)
Loss from operations		**(224,951)**	(165,986)
Finance costs	*5*	**(77,105)**	(73,114)
Loss before tax	*5*	**(302,056)**	(239,100)
Income tax	*6*	**–**	–
Loss for the period attributable to equity holders of the Company		**(302,056)**	(239,100)
Other comprehensive income after tax:			
Exchange differences on translating foreign operations		**29,165**	795
Total comprehensive loss for the period attributable to equity holders of the Company		**(272,891)**	(238,305)
Loss per share	*7*		
Basic and diluted *(RMB cents per share)*		**(55.8)**	(44.2)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 September 2010

	Notes	At 30 September 2010 RMB'000 (Unaudited)	At 31 March 2010 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment		**22,417**	27,268
Current assets			
Inventories		**5,015**	5,167
Trade receivables	9	**24,490**	12,472
Due from deconsolidated subsidiaries		**58,222**	105,316
Prepayments, deposits and other receivables		**41,252**	41,467
Pledged bank deposits		**66,513**	67,719
Bank and cash balances		**273,305**	240,255
		468,797	472,396
Current liabilities			
Trade and bills payables	10	**31,000**	20,647
Accruals and other payables		**36,257**	24,467
Due to deconsolidated subsidiaries		**890,636**	711,905
Bank borrowings		**25,257**	25,715
Convertible bonds		**2,111,800**	2,047,788
		3,094,950	2,830,522
Net current liabilities		**(2,626,153)**	(2,358,126)
NET LIABILITIES		**(2,603,736)**	(2,330,858)
Capital and reserves			
Share capital		**5,665**	5,665
Reserves		**(2,609,401)**	(2,336,523)
TOTAL EQUITY		**(2,603,736)**	(2,330,858)

NOTES:

1. General information

FU JI Food and Catering Services Holdings Limited (Provisional Liquidators Appointed) was incorporated in the Cayman Islands on 8 April 2004 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and principal place of business is Room 2703-08, 27th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the trading in shares of the Company has been suspended since 29 July 2009.

The Company is an investment holding company. The Company and its subsidiaries (collectively "the Group") were principally engaged in the provision of Catering Services and sale of Convenience Food products and related business in the People's Republic of China (the "PRC").

2. Basis of preparation and accounting policies

Winding-up petition and appointment of the provisional liquidators

On 29 July 2009, 26 August 2009 and 22 September 2009, the Company announced that there shall be certain delay in publication of the annual results announcement and dispatch of the annual report of the Company for the year ended 31 March 2009 (the "Delay").

On 7 October 2009, the Company engaged Deloitte Touche Tohmatsu as an independent financial adviser (the "IFA") (i) to assist the Group with the finalisation of its financial statements for the year ended 31 March 2009 and (ii) to conduct independent analysis on the Group's financial position with a view to addressing concerns raised by the stakeholders of the Company resulting from the Delay. During the course of IFA's reviewing on the Group's affairs, the IFA identified circumstances that indicated the Group had experienced significant financial challenges, particularly in connection with the Group's catering services business operations, the financial position and outlook of which had been deteriorating quite rapidly.

On 19 October 2009, the Company petitioned to the High Court of the Hong Kong Special Administrative Region (the "High Court") for the winding-up of the Company (the "Petition"). On the same day, Messrs. Edmund Yeung Lui Ming, Derek Lai Kar Yan and Darach E. Haughey of Deloitte Touche Tohmatsu were appointed as joint and several provisional liquidators (the "Provisional Liquidators") of the Company by the High Court. The Provisional Liquidators are empowered, inter alia, to take possession of the assets of the Company and its subsidiaries and, if thought to be in the best interests of creditors of the Company, to enter into any agreements necessary or desirable to effectively restructure the affairs of the Company.

The hearing of the Petition against the Company was originally scheduled on 23 December 2009 and the Court adjourned the hearing of the Petition against the Company to 8 February 2012. It is expected that the Petition against the Company will be withdrawn upon the successful implementation of the restructuring of the Company as referred to in the section headed "Proposed restructuring of the Group" below.

Suspension of trading in the shares of the Company

At the request of the Company, trading in shares of the Company has been suspended since 29 July 2009. By a letter dated 28 January 2010, the Stock Exchange informed the Provisional Liquidators that the Company was placed in the first stage of the delisting procedures under Practice Note 17 ("PN 17") to the Listing Rules, and the Company was required to submit a viable resumption proposal by 27 July 2010.

Upon the expiry of the first delisting stage, the Company was unable to submit the resumption proposal. On 30 July 2010, the Company was placed in the second stage of the delisting procedures pursuant to PN 17 of the Listing Rules and that the Company was still required to submit a viable resumption proposal to the Stock Exchange fulfilling certain requirements set out by the Stock Exchange therein including but not limited to the following:

(i) demonstrate sufficient operations or assets under Rule 13.24 of the Listing Rules;

(ii) publish outstanding financial results and address any audit qualifications;

(iii) demonstrate that the Company has an adequate financial reporting system and internal control procedures to meet its obligations under the Listing Rules; and

(iv) withdraw or dismiss the winding-up petition presented against the Company, and discharge the Provisional Liquidators.

If the Company fails to submit a viable resumption proposal to address the above conditions to the Stock Exchange at least 10 business days before 29 January 2011, the Stock Exchange might consider to proceed to place the Company in the third stage of the delisting procedures pursuant to PN 17 to the Listing Rules. In response to the request from the Stock Exchange, on 14 January 2011, the Provisional Liquidators, on behalf of the Company, submitted a resumption proposal (the "Resumption Proposal") to the Stock Exchange. On 13 June 2011, the Provisional Liquidators, on behalf of the Company, submitted their reply/clarification in relation to the queries from the Stock Exchange on the Resumption Proposal received on 31 January 2011 and is preparing replies to the second round of queries from the Stock Exchange received on 25 July 2011.

Proposed restructuring of the Group

On 16 March 2010, Marvel Light Holdings Limited (the "Investor"), the Company and the Provisional Liquidators entered into the heads of terms (the "Heads of Terms") setting out the agreement of the parties in respect of major provisions of the reorganisation proposal on the Company (the "Reorganisation Proposal"). Further details of the Reorganisation Proposal are described in the Company's announcements dated 26 May 2010 and 7 July 2010 (the "Announcements"). Unless otherwise specified, capitalised terms used herein shall have the same meanings as in the Announcements. As set out in the Heads of Terms, the Reorganisation Proposal will mainly involve the execution of the following transactions, as the case may be:

(i) the intra-group transfer of the Catering and Restaurant Business including the relevant business contracts, assets and/or employees of the Group which the Provisional Liquidators consider necessary for the continuation of the Catering and Restaurant Business by the Group;

(ii) the transfer and disposal of such right, title and interest in certain assets of the Group to the Investor;

(iii) the execution of a management agreement between the Company and the Investor pursuant to which the Investor shall provide management services to the Catering and Restaurant Business for a fee;

(iv) the debt restructuring and the capital reorganisation of the Company;

(v) the submission of the resumption proposal to the Stock Exchange for the purpose of seeking the resumption of the trading of the Shares on the Stock Exchange;

(vi) the subscription of the new Shares and preference shares of the Company by the Investor; and

(vii) the disposal of assets of the Group by way of Scheme of Arrangement to fully compromise and discharge all indebtedness due from the Group to the Scheme Creditors by creating a trust to hold certain assets of the Group for the purpose of payment and distribution to the Scheme Creditors.

On 11 March 2011, the Hong Kong Court directed that a meeting of Scheme Creditors (as defined in the Scheme) be convened for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement pursuant to section 166 of the Companies Ordinance (Cap. 32) proposed to be made between the Company and the Scheme Creditors.

At the Scheme Creditors' Meeting held on 29 April 2011, the Scheme of Arrangement was approved by the requisite majority of Scheme Creditors and on 17 May 2011, the Hong Kong Court sanctioned the Scheme. On 9 August 2011, the Provisional Liquidators, on behalf of the Company, issued a completion notice notifying the Scheme Creditors that following the satisfaction or waiver of all the conditions as detailed in the Scheme document, the Scheme has become effective on 9 August 2011.

Deconsolidation of subsidiaries

These condensed consolidated interim financial statements ("Interim Financial Statements") have been prepared based on the books and records maintained by the Group. However, the directors of the Company ("the Directors") considered that the control over certain subsidiaries had been lost from 1 April 2008. The results, assets, liabilities and cash flows of those subsidiaries were deconsolidated from the financial statements of the Group from 1 April 2008. Further details of which were described in the Group's annual financial statements for the year ended 31 March 2010.

Going concern

The Group incurred a loss attributable to equity holders of the Company of approximately RMB302,056,000 for the six months ended 30 September 2010 (six months ended 30 September 2009: RMB239,100,000) and as at 30 September 2010 the Group had net current liabilities of approximately RMB2,626,153,000 (31 March 2010: RMB2,358,126,000) and net liabilities of approximately RMB2,603,736,000 (31 March 2010: RMB2,330,858,000) respectively. 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.

The Interim Financial Statements have been prepared on a going concern basis on the assumption that the proposed restructuring of the Company will be successfully completed, and that, following the financial restructuring, the Group will continue to meet in full its financial obligations 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 Interim 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.

3. 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 2010. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards ("HKAS"); and Interpretations. 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 periods.

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

4. Turnover and segment information

Turnover represents the sale value of goods supplied and services provided to customers, net of business tax and other government surcharges, less sales returns and discounting during the period. The Group's reportable segments are strategic business units that offer different products. They are managed separately because each business requires different technology and marketing strategies.

Segment profits or losses do not include gains or losses from investments, interest income, finance costs, income tax and other unallocated corporate income and expenses. Segment assets do not include available-for-sales financial assets, amounts due from deconsolidated subsidiaries, pledged bank deposits, bank and cash balances and other unallocated corporate assets. Segment liabilities do not include bank borrowings, convertible bonds, consideration payable for acquisition of subsidiaries and other unallocated corporate liabilities. Segment non-current assets do not include financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts.

An analysis of the Group's turnover and results by operating segments is as follows:

	Catering Services *RMB'000* (Unaudited)	Convenience Food and related business *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
For the six months ended 30 September 2010:			
Revenue from external customers	63,533	2,870	66,403
Segment loss	(9,186)	(2,013)	(11,199)
Interest income	7	3	10
Depreciation	4,746	105	4,851
At 30 September 2010:			
Segment assets – unaudited	52,214	12,769	64,983

	Catering Services *RMB'000* (Unaudited)	Convenience Food and related business *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
For the six months ended 30 September 2009:			
Revenue from external customers	65,794	–	65,794
Segment loss	(26,429)	(1,587)	(28,016)
Interest income	106	–	106
Depreciation	4,596	237	4,833
At 31 March 2010:			
Segment assets – audited	48,263	6,165	54,428

Reconciliations of reportable segment profit and loss:

	Six months ended 30 September	
	2010	2009
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Total loss from reportable segments	**(11,199)**	(28,016)
Corporate and unallocated loss	**(213,752)**	(137,970)
Consolidated loss from operations	**(224,951)**	(165,986)

5. Loss before tax

Loss before tax is arrived at after charging/(crediting)

	Six months ended 30 September	
	2010	2009
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
(a) Finance costs:		
Interest on borrowings wholly repayable within five years	**4,347**	10,462
Interest on convertible bonds	**72,758**	62,652
	77,105	73,114
(b) Other items:		
Interest income	**(33)**	(203)
Cost of materials consumed	**45,069**	56,646
Impairments on due from deconsolidated subsidiaries	**167,654**	125,011
Loss on disposal of property, plant and equipment	**–**	94
Impairment of prepayments, deposits and other receivables	**–**	504
Depreciation	**4,851**	4,833
Operating leases charges in respect of premises	**2,809**	5,073
Directors' remuneration	**–**	1,784

6. Income tax

No provision for profits tax has been made as the Group did not generated any assessable profits for each of the six months ended 30 September 2010 and 2009. The group had no significant deferred tax for each of the six months ended 30 September 2010 and 2009.

7. Loss per share

The calculation of basic loss per share attributable to equity holders of the Company is based on the loss for the six months period attributable to equity holders of the Company of approximately RMB302,056,000 (six months ended 30 September 2009: RMB239,100,000) and the weighted average number of 541,296,756 (six months ended 30 September 2009: 541,296,756) ordinary shares in issue during the period.

As the exercise of the Group's outstanding convertible bonds for the each of six months ended 30 September 2010 and 2009 would be anti-dilutive and there was no dilutive potential ordinary shares of the Company's outstanding options, no diluted loss per share was presented in both periods.

8. Interim dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 30 September 2010 (six months ended 30 September 2009: nil).

9. 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. An aging analysis of the trade receivables at the end of the reporting period, based on invoice dates, is as follows:

	At 30 September 2010 ***RMB'000*** **(Unaudited)**	At 31 March 2010 *RMB'000* (Audited)
30 days or less	**11,701**	8,839
31 to 90 days	**9,644**	3,492
91 to 180 days	**214**	73
Over 180 days	**2,931**	180
Less: impairments	**–**	(112)
	24,490	12,472

10. Trade payables

The aging analysis of the trade payables at the end of the reporting period, based on invoice dates, is as follows:

	At 30 September 2010 ***RMB'000*** **(Unaudited)**	At 31 March 2010 *RMB'000* (Audited)
30 days or less	**7,542**	4,027
31 to 90 days	**13,324**	6,144
91 to 180 days	**6,030**	8,546
Over 180 days	**4,104**	1,930
	31,000	20,647

FINANCIAL REVIEW

For the six months ended 30 September 2010, the turnover of FU JI Food and Catering Services Holdings Limited (Provisional Liquidators Appointed) (the "Company") and its subsidiaries (collectively referred to as the "Group") was approximately RMB66.4 million (six months ended 30 September 2009: approximately RMB65.79 million), representing an increase of approximately 1% from the six months ended 30 September 2009.

The consolidated loss attributable to equity holders of the Company amounted to approximately RMB272.89 million for the six month ended 30 September 2010 (six months ended 30 September 2009: RMB238.31 million). Loss per share was approximately RMB55.8 cents for the six months ended 30 September 2010 (six months ended 30 September 2009: approximately RMB44.2 cents).

WINDING-UP PETITION AND APPOINTMENT OF PROVISIONAL LIQUIDATORS

On 7 October 2009, the Company engaged Deloitte Touche Tohmatsu as an independent financial adviser (the "IFA") (i) to assist the Group with the finalization of its financial statements for the year ended 31 March 2009 and (ii) to conduct independent analysis on the Group's financial position with a view to addressing concerns raised by stakeholders of the Company resulting from the delay in the publication of the Company's annual results.

In the course of reviewing the Group's affairs, the IFA identified circumstances that indicated the Group had experienced significant financial challenges, particularly in connection with its catering business operations, the financial position and outlook of which had been deteriorating quite rapidly.

After receiving and discussing the IFA's preliminary findings, on 19 October 2009, the Board of Directors of the Company presented to the High Court of the Hong Kong SAR (the "High Court") a petition (the "Petition") to wind up the Company. On the same day, Messrs Edmund Yeung Lui Ming, Derek Lai Kar Yan and Darach E. Haughey of Deloitte Touche Tohmatsu were appointed as joint and several provisional liquidators of the Company (the "Provisional Liquidators") by the Hong Kong Court.

The Provisional Liquidators are empowered, inter alia, to take possession of the assets of the Group, to close or cease or operate all or any part of the business operations of the Group, 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.

The hearing of the Petition against the Company was originally scheduled on 23 December 2009 and the Court adjourned the hearing of the Petition against the Company to 8 February 2012. It is expected that the Petition against the Company will be withdrawn upon the successful implementation of the restructuring of the Company as referred to in the section headed "Restructuring of the Group" below.

RESTRUCTURING OF THE GROUP

On 30 November 2009, the Provisional Liquidators published advertisements in relation to the proposed sale of the Group's assets and business as a going concern and sought expression of interest in relation to such sale. Further to such advertisement, the Provisional Liquidators received expressions of interest from various parties, including companies in the catering and food and beverage industry and other industries as well as various financial investors.

In December 2009, the Provisional Liquidators issued a tender process memorandum and guidance note to those parties who had registered their interest in the proposal sale of the Group's assets and businesses as a going concern and executed confidentiality and non-disclosure agreements with such parties.

On 5 February 2010, the Provisional Liquidators received proposals from potential investors for the sale of the Group's assets and businesses as a going concern. After careful consideration, the Provisional Liquidators considered that the proposal received from Marvel Light Holdings Limited ("Investor") represented the best option available to the Company and its shareholders at that time.

On 16 March 2010, the Company, the Investor and the Provisional Liquidators entered into the Heads of Terms, which are legally binding and set out the agreement of the parties in respect of major provisions of the reorganization proposal and are subject to the execution of definitive documentation. Details of the Heads of Terms are set out in the Company's announcement dated 26 May 2010.

On 29 June 2010, the Company, Fortune Guard Holdings Limited (the "Purchaser", a company wholly-owned by the Investor), the Investor, the Provisional Liquidators and certain members of the Group entered into a sale and purchase agreement which involved the disposal of certain subsidiaries of the Company to the Investor in order to strengthen the remaining Group (the "Phase I Disposal"). Details of the Phase I Disposal are set out in the Company's announcement dated 7 July 2010.

On 17 August 2010, the Provisional Liquidators published advertisements seeking expressions of interest from parties interested in relation to the sale of the remaining non-core assets under the Heads of Terms (the "Nominated Excluded Assets"), which comprise mainly land and buildings in the PRC.

On 30 August 2010, the Provisional Liquidators issued a tender process memorandum and guidance note to those parties who had registered their interest in the Nominated Excluded Assets and executed confidentiality and non-disclosure agreements with such parties.

On 13 January 2011, the Company, the Purchaser, the Investor, the Provisional Liquidators and certain members of the Group entered into a sale and purchase agreement for the disposal of the restaurants business, certain idle food processing centres and certain subsidiaries of the Group which operated as investment vehicles. Details of such disposal are set out in the Company's announcement dated 26 May 2011.

On 31 January 2011, the Provisional Liquidators received a proposal from an interested person for the purchase of the Nominated Excluded Assets. Pursuant to the Heads of Terms, the Investor was granted a Right of First Refusal ("ROFR") to acquire the Nominated Excluded Asset at no less favorable terms than those offered by any interested person. Subsequently on 14 February 2011, the Investor elected to exercise the ROFR to acquire the Nominated Excluded Assets. The terms of the related sale and purchase agreement is under negotiation by the Company, the Investor, the Purchaser, the Provisional Liquidators and certain members of the Group.

On 11 March 2011, the Hong Kong Court directed that a meeting of Scheme Creditors (as defined in the Scheme) be convened for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement pursuant to section 166 of the Companies Ordinance (Cap. 32) proposed to be made between the Company and the Scheme Creditors.

At the Scheme Creditors' Meeting held on 29 April 2011, the Scheme of Arrangement was approved by the requisite majority of Scheme Creditors and on 17 May 2011, the Hong Kong Court sanctioned the Scheme. On 9 August 2011, the Provisional Liquidators, on behalf of the Company, issued a completion notice notifying the Scheme Creditors that following the satisfaction or waiver of all the conditions as detailed in the Scheme document, the Scheme has become effective on 9 August 2011.

The principal elements of the proposed restructuring of the Group are, inter alia, as follows:

(a) Capital Restructuring

The Company will undergo, inter alia, a capital restructuring, involving the capital reduction, the capital cancellation, the capital consolidation and the capital increase.

(b) Share Subscription

The Company will raise new funds by way of an open offer to all the existing shareholders, and the issuance of ordinary shares and preference shares to the Investor.

(c) Scheme and Debt Restructuring

The Provisional Liquidators will implement a Scheme of Arrangement to settle the debts owed to the Scheme Creditors by payment of cash and, where applicable, the issue and allotment of new shares in the agreed percentage to Scheme Creditors, to be distributed in accordance with the terms of the Scheme of Arrangement.

The Investor would become a controlling shareholder of the Company upon completion of the proposed restructuring of the Group (the "Completion") as contemplated under the Heads of Terms.

PROSPECTS

On 30 July 2010, the Company was placed in the second stage of the delisting procedures pursuant to Practice Note 17 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "HKSE") (the "Listing Rules") and that the Company was required to submit a viable resumption proposal which demonstrates its compliance with the requirement stipulated under Rule 13.24 of the Listing Rules.

On 14 January 2011, a resumption proposal was submitted by the Company to the HKSE to demonstrate to the HKSE that when the resumption proposal is successfully implemented, the Group will have in place suitable structures and have a sufficient level of operations and tangible assets of sufficient value and will be able to fully comply with Rule 13.24 of the Listing Rules.

On 13 June 2011, the Company submitted a reply/clarification in relation to the queries from the Stock Exchange on the Resumption Proposal received on 31 January 2011. Subsequently, the Company received a second round of queries from the Stock Exchange on 25 July 2011 and is preparing the reply to the queries accordingly.

The Company is confident that, with strong financial support from Investor, the Group will be able to regain dominant in its business and maintain a substantial level of operations after the resumption of trading in the Company's shares on the HKSE.

It is anticipated that the financial position of the Group will be substantially improved upon the Completion as all the liabilities arising from the creditors of the Company will be compromised and discharged through the proposed scheme of arrangement and liabilities assumed through assets disposal.

Upon the Completion, the Company's shares will resume trading on the HKSE subject to the approval of the HKSE.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

Bank and cash balances as at 30 September 2010 was approximately RMB273.31 million (31 March 2010: approximately RMB240.26 million). The Group's debt-to-capital ratio measured on the basis of the Group's total liabilities net of bank and cash balances related to the total equity is not applicable as the Group had a net deficiency in capital as at 30 September 2010 and 31 March 2010.

EMPLOYMENT

It is the Group's policy that remuneration of the employees is in line with the market and commensurate with the level of pay for similar responsibilities within the industry. Discretionary year-end bonuses are payable to the employees based on individual performance. Other benefits to the employees included medical insurance, retirement schemes, training programs and education subsidies.

CHARGES ON GROUP'S ASSETS

As at 30 September 2010, there were no charges on the Group's assets.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2010.

CODE ON CORPORATE GOVERNANCE PRACTICES

Mr. Chin Chang Keng Raymond was appointed as Executive Director on 1 June 2011 and Mr. Chung Wai Man was appointed as Independent Non-executive Director on the same day. Consequently, they are 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 2010.

REVIEW BY THE AUDIT COMMITTEE

By the time the interim financial report (the "Interim Report") for the six months ended 30 September 2010 of the Group were prepared, no audit committee had been established owing to the current insufficient number of Independent 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 on the HKSE.

Since the audit committee has yet to be established, the Interim Report has not been reviewed by an audit committee.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Director of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Each of Mr. Chin Chang Keng Raymond, the Executive Director and Mr. Chung Wai Man, the Independent Non-executive Director, who were appointed on 1 June 2011, has confirmed that he complied with the required standards as set out in the Model Code during the six months ended 30 September 2010. But the Board makes no representations as to whether the other then Directors had complied with the required standards set out in the Model Code throughout the six months ended 30 September 2010.

On behalf of the Board
FU JI Food and Catering Services Holdings Limited
(Provisional Liquidators appointed)
Chin Chang Keng Raymond
Director

Hong Kong, 10 August 2011

As at the date of this announcement, the board of directors comprises Mr. Chin Chang Keng Raymond as executive director and Mr. Chung Wai Man as independent non-executive director.