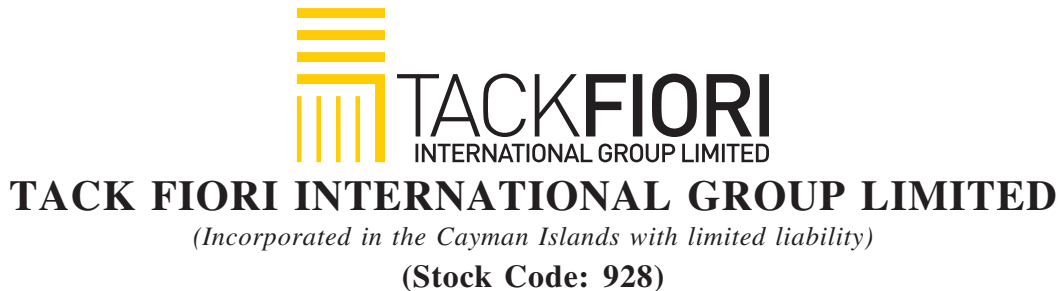


THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your securities in **Tack Fiori International Group Limited** (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser.

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**(1) PROPOSED SHARE CONSOLIDATION;
(2) CHANGE IN BOARD LOT SIZE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening an extraordinary general meeting (the “EGM”) of the Company to be held at 30th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong at 4:00 p.m. on Wednesday, 30 January 2013 is set out on pages 10 to 11 of this circular.

Whether or not you are intend to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the share registrar of the Company, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, as soon as possible but in any event not later than 48 hours before the time scheduled for the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting at the EGM or any adjournment thereof should you so wish.

7 January 2013

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EXPECTED TIMETABLE

EXPECTED TIMETABLE FOR THE SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

The expected timetable of the proposed Share Consolidation and Change in Board Lot Size are as follows:

2013

Latest time for return of proxy form of EGM (not less than 48 hours prior to time of EGM)	4:00 p.m., Monday, 28 January
Expected date and time of EGM	4:00 p.m., Wednesday, 30 January
Announcement of results of EGM	Wednesday, 30 January
Effective date of the Share Consolidation	Thursday, 31 January
First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares	Thursday, 31 January
Dealing in Consolidated Shares commences	9:00 a.m., Thursday, 31 January
Original counter for trading in Shares (in board lots of 8,000 Shares) temporarily closes.	9:00 a.m., Thursday, 31 January
Temporary counter for trading in Consolidated Shares in board lots of 800 Consolidated Shares (in form of existing share certificates) to be opened	9:00 a.m., Thursday, 31 January
Original counter for trading in Consolidated Shares in new board lots of 4,000 Consolidated Shares (in the form of new share certificates) to be re-opened.	9:00 a.m., Tuesday, 19 February
Parallel trading in Consolidated Shares (in form of new and existing certificate) begins	9:00 a.m., Tuesday, 19 February
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of Consolidated Shares	9:00 a.m., Tuesday, 19 February
Temporary counter for trading in Consolidated Shares in board lots of 800 Consolidated Shares (in form of existing share certificates) to be closed	4:00 p.m., Monday, 11 March
Parallel trading in Consolidated Shares (in form of new and existing certificates) closes	4:00 p.m., Monday, 11 March
Designated broker ceases to stand in the market to provide matching services for odd lots of Consolidated Shares	4:00 p.m., Monday, 11 March

EXPECTED TIMETABLE

2013

Last day of free exchange of existing share certificates
for new share certificates Wednesday, 13 March

All times and dates in this circular refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above depend on the results of the EGM and are therefore for indicative purpose only. Any changes to the expected timetable will be published or notified to Shareholders as and when appropriate.

DEFINITIONS

In this circular, unless the context otherwise requires, the following terms shall have the following meanings:

“Announcement”	the announcement of the Company dated 24 December 2012 relating to the Share Consolidation and Change in Board Lot Size
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday and Public Holidays) on which banks are generally open for business more than five hours in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 8,000 Shares to 4,000 Consolidated Shares
“Company”	Tack Fiori International Group Limited (Stock Code: 0928), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on main board of the Stock Exchange
“Consolidated Shares”	ordinary share(s) of HK\$0.10 each in the share capital of the Company upon the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of, among others, considering, and if thought fit, approving the Share Consolidation
“HK\$”	the lawful currency for the time being of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	3 January 2013, being the latest practicable date for ascertaining certain information in this circular before printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company prior to the Share Consolidation
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Shares of par value of HK\$0.01 each into one (1) Consolidated Share of par value of HK\$0.10 each
“Shareholder(s)”	the holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited



TACK FIORI INTERNATIONAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 928)

Executive Directors:

Mr. Chiu Siu Po (*Chairman*)
Mr. Liu On Bong, Peter (*Vice Chairman*)
Mr. Chan Chak Kai, Kenneth
Mr. Wan Wai Hei, Wesley
Mr. Au Wai June
Mr. Ng Jackson

Independent non-executive Directors:

Dr. Leung Shiu Ki, Albert
Mr. Robert James Iaia II
Ms. Lam Yan Fong, Flora
Mr. Yau Yan Ming, Raymond
Mr. Miu H., Frank

Registered office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place
of business in Hong Kong:*

8/F., China United Centre
28 Marble Road
North Point
Hong Kong

7 January 2013

To the Shareholders

Dear Sir/Madam,

**(1) PROPOSED SHARE CONSOLIDATION;
(2) CHANGE IN BOARD LOT SIZE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

On 24 December 2012, the Company announced that the Company proposed, among other things, to implement the followings:

- (a) the Share Consolidation by consolidating every ten (10) issued and unissued Shares of HK\$0.01 each in the existing share capital of the Company into one (1) Consolidated Share of HK\$0.10 each; and
- (b) the Change in Board Lot Size for trading on the Stock Exchange from 8,000 Shares to 4,000 Consolidated Shares upon the Share Consolidation becoming effective.

The purpose of this circular is to give details of, among other things, (i) the proposed Share Consolidation and proposed Change in Board Lot Size; and (ii) a notice of the EGM.

LETTER FROM THE BOARD

PROPOSED SHARE CONSOLIDATION

The Company proposed to implement the Share Consolidation by consolidating every ten (10) issued and unissued Shares of HK\$0.01 each in the share capital of the Company into one (1) Consolidated Share of HK\$0.10 each. The Consolidated Shares will rank pari passu in all respects with each other.

The Share Consolidation will become effective upon the fulfillment of the conditions set out in the paragraph headed “Conditions of the Share Consolidation” below.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$500,000,000 divided into 50,000,000,000 Shares of HK\$0.01 each, of which 1,081,884,217 Shares have been issued and are fully paid. Assuming that no further Shares will be issued or repurchased by the Company from the Latest Practicable Date to the effective date of the Share Consolidation, upon the Share Consolidation becoming effective, the authorised share capital of the Company will be HK\$500,000,000 divided into 5,000,000,000 Consolidated Shares of HK\$0.10 each, of which 108,188,421 Consolidated Shares will be in issue.

The effect of the Share Consolidation is tabulated as follows:

	As at the Latest Practicable Date	Upon the Share Consolidation becoming effective
Nominal value of each share	HK\$0.01 per Share	HK\$0.10 per Consolidated Share
Number of authorised shares	50,000,000,000 Shares	5,000,000,000 Consolidated Shares
Amount of authorised share capital	HK\$500,000,000	HK\$500,000,000
Number of shares of the Company in issue	1,081,884,217	108,188,421
Amount of issued share capital	HK\$10,818,842.17	HK\$10,818,842.17

Other than expenses, including professional fees and printing charges, to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not, of itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests of the Shareholders, save for any fractional Consolidated Shares (if any) which will not be issued to the Shareholders otherwise entitled thereto but will be aggregated and sold, if possible, for the benefit of the Company.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there are 60,000,000 outstanding share options under the option deeds dated 6 October 2011 and subsequent to the adjustments of the capital reorganization becoming effective on 23 August 2012.

The Share Consolidation may cause adjustments to the exercise price and/or the aggregate number of Consolidated Shares which may fall to be issued upon exercise of the Share Options. The Company shall determine the necessary adjustment(s) in accordance with the option deeds and inform the holders of the Share Options accordingly if the Share Consolidation becomes effective.

Save as disclosed, the Company has no outstanding convertible securities, options or warrant in issue which confer any rights to subscribe for, convert or exchange into Shares as at the Latest Practicable Date.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the fulfillment of the following conditions:

- (i) the passing of the ordinary resolution by the Shareholders at the EGM by way of poll to approve the Share Consolidation;
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and
- (iii) the obtaining of all necessary approvals from the relevant regulatory authorities or otherwise as may be required in respect of the Share Consolidation, if required.

Listing and Dealings

Application has been made to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Consolidated Shares to be issued upon the Share Consolidation becoming effective.

The Consolidated Shares will rank *pari passu* in all respects with each other as to all future dividends and distributions which are declared, made or paid. Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

No part of the securities of the Company is listed or dealt in on which listing or permission to deal is being or is proposed to be sought on other stock exchanges.

LETTER FROM THE BOARD

PROPOSED CHANGE IN BOARD LOT SIZE

The Shares of HK\$0.01 each in the share capital of the Company are trading in board lot size of 8,000 Shares. The Board proposed to change the board lot size from 8,000 Shares to 4,000 Consolidated Shares upon the Share Consolidation becoming effective. The Change in Board Lot Size is not subject to Shareholders' approval at the EGM.

Based on the closing price of HK\$0.10 per Share as quoted on the Stock Exchange as at the Latest Practicable Date, the estimated market value per board lot of 4,000 Consolidated Shares will be HK\$4,000 assuming the Share Consolidation becomes effective.

Odd Lot Arrangements and Fractional Consolidated Shares

Fractional Consolidated Shares will be disregarded and not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of share certificates held by such holder.

In order to facilitate the trading of odd lots of the Consolidated Shares, the Company will appoint Chung Nam Securities Limited as an agent to provide matching services for the sale and purchase of odd lots of the Consolidated Shares on a best effort basis. Shareholders who wish to take advantage of this facility should contact Mr. Cecil Chan from Chung Nam Securities Limited at 26th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong during the period from 9:00 a.m. on Tuesday, 19 February 2013 to 4:00 p.m. on Monday, 11 March 2013 (both days inclusive), at telephone number (852) 3198 0838 during office hours. Shareholders should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed.

Free Exchange of Share Certificates

Subject to the Share Consolidation become effective, Shareholders may, during the period from 31 January 2013 to 13 March 2013 (both days inclusive) within business hours, submit existing certificates for the Shares in pink colour to the Company's share registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for exchange, at the expense of the Company, for new share certificates in blue colour for the Consolidated Shares. It is expected that the new certificates for the Consolidated Shares will be available for collection within 10 Business Days after submission of the existing share certificates to the share registrar of the Company for exchange. Thereafter, certificates for Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be allowed by the Stock Exchange) for each new certificate issued for the Consolidated Shares.

Certificates for the Shares will continue to be good evidence of legal title and may be exchanged for certificates for the Consolidated Shares at any time. Nevertheless, they will not be acceptable for trading, settlement and registration purpose after the Share Consolidation

LETTER FROM THE BOARD

becomes effective (except in a temporary counter after the commencement of dealings in the Consolidated Shares until parallel trading ends as detailed in the section headed “Expected Timetable” in this circular).

Reasons for Share Consolidation and Change in Board Lot Size

Despite the Company having completed capital reorganization (including share consolidation of every 5 then shares of HK\$0.1 each into 1 then consolidated share of HK\$0.5 each) and change in board lot size from 20,000 then shares to 8,000 Shares in the 3rd quarter of 2012, the Company experienced unexpectedly and persistent-downward movement in trading price of the Shares from HK\$0.43 per Share as quoted on the Stock Exchange dated 23 August 2012 (being the date that the capital reorganization being effective) to HK\$0.10 per Share as quoted on the Stock Exchange dated 24 December 2012 (being the date of the Announcement).

Based on the closing price of HK\$0.10 per Share as quoted on the Stock Exchange as at the Latest Practicable Date, the market value per board lot of 8,000 Shares was HK\$800. The Board considers that the existing trading value per board lot size is low and the trading costs per board lot size is high when taking into account the minimum transaction costs for a securities trade.

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of the issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with a consolidation or splitting its securities. In view of the recent trading price of the Shares, the Board on its own initiative proposes to effect the Share Consolidation in order to comply with the trading requirements of the Listing Rules.

Further, “Guide of Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 6 January 2012 (the “**Guideline**”) stated that taking into account the minimum transaction costs for a securities trade, the expected board lot value per board lot should be greater than HK\$2,000. Accordingly, the Company proposed the Share Consolidation which would increase the nominal value of the Shares and reduce the total number of Shares currently in issue. The Share Consolidation is expected to bring about a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange.

However, the Share Consolidation alone would unavoidably create odd lot of Shares for Shareholders whose shareholding is less than 80,000 Shares or not in the multiple of 80,000 Shares. In order to alleviate the number of odd lot to be created under the Share Consolidation and comply with the Guideline, the Company further proposed to conduct the Change in Board Lot Size upon completion of the Share Consolidation. Upon completion of the Share Consolidation and Change in Board Lot Size, it is expected that the market value of each board lot size of 4,000 Consolidated Shares will be HK\$4,000, based on the closing price of HK\$0.10 per Share (equivalent to HK\$1) as quoted on the Stock Exchange as at the Latest Practicable Date.

The Directors consider that the Share Consolidation and Change in Board Lot Size are in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

EGM

A notice convening the EGM to be held at 30th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong on Wednesday, 30 January 2013 at 4:00 p.m. is set out on pages 10 to 11 of this circular.

The EGM is convened to be held for the purpose of considering and, if thought fit, approving the ordinary resolution by way of poll in respect of the Share Consolidation. To the best of the Director's knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution approving the Share Consolidation at the EGM.

Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not later than 48 hours before the time of the EGM or any adjournment thereof to the Company's Hong Kong branch share registrar, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you so wish.

The ordinary resolution proposed to be approved at the EGM will be taken by poll and an announcement will be made by the Company following the conclusion of the EGM to inform you of its results.

INFORMATION OF THE COMPANY

The Company is principally engaged in (i) apparel retail business in the PRC and (ii) luxury goods and accessories retail business (watches, audio equipment and products, and other accessories) and the sale of crystal gemming services and products in Hong Kong and the PRC.

RECOMMENDATION

The Board (including the independent non-executive Directors) holds the view that the proposed Share Consolidation and the Change in Board Lot Size are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Therefore, the Board recommends the Shareholders to vote in favor of the relevant resolution to be proposed at the EGM.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters that the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
On behalf of the Board
TACK FIORI INTERNATIONAL GROUP LIMITED
Liu On Bong, Peter
Vice Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING



TACK FIORI INTERNATIONAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 928)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Tack Fiori International Group Limited (the “**Company**”) will be held at 30th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong at 4:00 p.m. on Wednesday, 30 January 2013 for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolution which will be proposed as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Consolidated Shares (as defined below) and the obtaining of all necessary approvals required by laws or from the regulatory authorities or otherwise that may be required in respect of the consolidation of shares in the Company as detailed below:

- (a) every ten (10) issued and unissued shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) consolidated share of HK\$0.10 (the “**Consolidated Share**”) in the share capital of the Company (the “**Share Consolidation**”) and such consolidation shall take effect on the next Business Day (as defined below) immediately following the date on which this resolution is passed;
- (b) all of the Consolidated Shares shall rank pari passu in all respect with each other and have the rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company;
- (c) all fractional Consolidated Shares will be disregarded and not be issued to the holders of the existing ordinary shares of the Company but all fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company; and
- (d) the directors of the Company be and are hereby authorised generally to do all such acts and things and execute all such documents, including under the seal of the Company, where applicable, as they consider necessary or expedient to implement and give effect to the consolidation of shares and arrangements set out in this resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING

In this resolution, the term “**Business Day**” shall mean a day on which the Stock Exchange is open for the business of dealing in securities and there is no suspension in trading in the shares of the Company on that day.”

Yours faithfully,
On behalf of the Board
TACK FIORI INTERNATIONAL GROUP LIMITED
Liu On Bong, Peter
Vice Chairman

Hong Kong, 7 January 2013

Notes:

1. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A proxy need not be a member of the Company. A member who is holder of more than one share in the Company may appoint more than one proxy to attend in his/her stead.
2. The enclosed form of proxy and (if required by the board of directors of the Company) the power of attorney or other authority (if any), under which it is signed, or a certified copy of such power or authority shall be delivered at the Company’s branch share registrar and transfer office, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time scheduled for EGM or adjourned meeting at which the person named in the enclosed form of proxy proposes to vote, or, in the case of a poll taken subsequently to the date of the EGM or adjourned meeting, not less than 48 hours before the time scheduled for the taking of the poll, and in default the enclosed form of proxy shall not be treated as valid. Delivery of any instrument appointing a proxy shall not preclude a member from attending and voting in person at the EGM or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. Where there are joint registered holders of any share in the Company, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most, or as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.
4. The enclosed form of proxy must be signed by the appointor or of his attorney authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.