



CHINA RISE INTERNATIONAL HOLDINGS LIMITED

華晉國際控股有限公司*

(formerly known as Anex International Holdings Limited)

(Incorporated in Bermuda with limited liability)

(Stock code: 723)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2007

The Board of Directors of China Rise International Holdings Limited (the “Company”) (formerly known as Anex International Holdings Limited) presents the unaudited condensed interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2007 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2007

		Six months ended 30 September	
		2007 (Unaudited) HK\$'000	2006 (Unaudited) HK\$'000
	Notes		
Turnover	6	107,605	109,603
Cost of sales		<u>(106,988)</u>	<u>(98,364)</u>
Gross profit		617	11,239
Other revenue	6	11,805	1,931
Selling and distribution costs		(6,085)	(9,167)
Administrative expenses		(27,708)	(21,690)
Other operating expenses		(25,420)	—
Loss from operations		(46,791)	(17,687)
Finance costs	8	(951)	(1,540)
Share of profits of an associate		<u>—</u>	<u>171</u>
Loss before taxation	7	(47,742)	(19,056)
Income tax	9	(1,012)	(94)
Loss for the period		<u>(48,754)</u>	<u>(19,150)</u>
Attributable to:			
Equity shareholders of the Company		(50,249)	(19,160)
Minority interests		1,495	10
		<u>(48,754)</u>	<u>(19,150)</u>
Loss per share			
Basic	10 (a)	<u>(2.87 cents)</u>	<u>(1.68 cents)</u>
Diluted	10 (b)	<u>N/A</u>	<u>N/A</u>

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2007

	At 30 September 2007 (Unaudited) HK\$'000	At 31 March 2007 (Audited) HK\$'000
NON-CURRENT ASSETS		
Property, plant and equipment	62,166	89,332
Investment property	11,313	–
Interest in leasehold land held for own use under operating leases	3,660	4,984
Goodwill	4,957	4,957
	<u>82,096</u>	<u>99,273</u>
CURRENT ASSETS		
Inventories	67,989	94,304
Interest in leasehold land held for own use under operating leases	121	158
Trade receivables	33,149	24,839
Prepayments, deposits and other receivables	22,484	23,954
Pledged deposits	15,175	12,019
Cash and cash equivalents	159,078	45,245
	<u>297,996</u>	<u>200,519</u>
CURRENT LIABILITIES		
Bank loans and overdrafts	21,485	26,877
Trade payables	22,603	35,553
Other payables and accruals	45,268	54,483
Provision for taxation	1,955	4,015
Finance lease payables	1,386	1,657
	<u>92,697</u>	<u>122,585</u>
NET CURRENT ASSETS	<u>205,299</u>	<u>77,934</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>287,395</u>	<u>177,207</u>
NON-CURRENT LIABILITIES		
Finance lease payables	217	833
Deferred tax liabilities	18,235	18,235
	<u>18,452</u>	<u>19,068</u>
NET ASSETS	<u>268,943</u>	<u>158,139</u>
CAPITAL AND RESERVES		
Share capital	195,998	154,492
Reserves	57,215	(10,253)
Total equity attributable to equity shareholders of the Company	<u>253,213</u>	<u>144,239</u>
Minority interests	15,730	13,900
TOTAL EQUITY	<u>268,943</u>	<u>158,139</u>

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2007

1. CORPORATE INFORMATION

The Company was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Pursuant to a special resolution passed at the annual general meeting on 31 August 2007, the name of the Company was changed from Anex International Holdings Limited to China Rise International Holdings Limited. The principal activity of the Company is investment holding. The principal activities of the subsidiaries comprise design and manufacture of home appliances, trading of merchandise, real estate development, letting of properties and building materials supply and installation.

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The interim condensed financial statements for the six months ended 30 September 2007 have been prepared based on Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The interim condensed financial statements do not include all the information and disclosures required for an annual financial statements, and should be read in conjunction with the financial statements of the Group for the year ended 31 March 2007.

The accounting policies adopted in preparing the interim condensed financial statements are in line with those adopted in preparing the financial statements of the Group for the year ended 31 March 2007, except for the adoption of the new Hong Kong Financial Reporting Standards (“HKFRSs”) and Hong Kong Accounting Standards (“HKASs”) as disclosed in note 3 below.

3. CHANGES IN ACCOUNTING POLICIES

(a) Impact of new and amended HKFRSs and HKASs

HKICPA has issued certain new and amended HKFRSs and HKASs which are generally applicable for accounting periods beginning on or after 1 January 2007. The Group has adopted the following HKFRSs and HKASs which have been issued as at 30 September 2007 and which are relevant with these interim financial statements:

HKAS 1 Amendment	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) – Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting Hyperinflationary Economies
HK(IFRIC) – Int 8	Scope of HKFRS 2
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment
HK(IFRIC) – Int 11	HKFRS 2 – Group and Treasury Share Transactions

Adoption of the above accounting standards does not have significant impact on the Group’s operating results or financial position.

3. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) Impact of issued but not yet effective HKFRSs and HKASs

The Group has not applied the following new and revised HKFRSs and HKASs, that have been issued but are not yet effective, in these interim financial statements:

HKAS 23 (Revised)	Borrowing Cost ¹
HKFRS 8	Operating Segments ¹
HK(IFRIC) – Int 12	Service Concession Arrangement ²
HK(IFRIC) – Int 13	Customer Loyalty Programmes ³
HK(IFRIC) – Int 14	HKAS 19-The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction ²

¹ Effect for annual periods beginning on or after 1 January 2009

² Effect for annual periods beginning on or after 1 January 2008

³ Effect for annual periods beginning on or after 1 July 2008

The Group expects that the adoption of the above policies are unlikely to have a significant impact on the Group's financial statements for the period in which the Group initially adopted such policies.

4. SEGMENT INFORMATION

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

Business segments

The Group comprises the following main business segments:

Home appliances: the design and manufacture of electrical appliances and trading of merchandise.

Real estate: the development and sale of commercial premises and residential properties and letting of commercial premises.

Building materials: the construction project of building materials supply and installation.

4. SEGMENT INFORMATION (CONTINUED)

Business segments (Continued)

	Six months ended 30 September							
	Home appliances		Real estate		Building materials		Consolidated	
	2007	2006	2007	2006	2007	2006	2007	2006
	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Revenue from external customers	<u>62,309</u>	<u>109,603</u>	<u>-</u>	<u>-</u>	<u>45,296</u>	<u>-</u>	<u>107,605</u>	<u>109,603</u>
Segment result	(43,026)	(10,667)	(1,907)	-	6,374	-	(38,559)	(10,667)
Unallocated operating income and expenses							(8,232)	(7,020)
Loss from operations							(46,791)	(17,687)
Finance costs	(936)	(1,322)	-	-	(5)	-	(941)	(1,322)
Unallocated corporate expenses							(10)	(47)
Income tax							(1,012)	(94)
Loss for the period							<u>(48,754)</u>	<u>(19,150)</u>
ASSETS								
Segment assets	111,094	188,854	40,691	-	27,364	-	179,149	188,854
Unallocated corporate assets							200,943	69,332
Consolidated total assets							<u>380,092</u>	<u>258,186</u>
LIABILITIES								
Segment liabilities	62,864	93,317	15,916	-	18,629	-	97,409	93,317
Unallocated corporate liabilities							13,740	1,935
Consolidated total liabilities							<u>111,149</u>	<u>95,252</u>
OTHER INFORMATION								
Depreciation and amortization for the period	5,000	5,102	27	-	13	-	5,040	5,102
Unallocated corporate expenses							127	43
							<u>5,167</u>	<u>5,145</u>
Impairment of								
- property, plant and equipment	19,768	-	-	-	-	-	19,768	-
- mould deposits	5,513	-	-	-	-	-	5,513	-
- trade receivables	2,499	-	-	-	-	-	<u>2,499</u>	<u>-</u>
Capital expenditure incurred during the period	1,465	5,567	82	-	9	-	1,556	5,567
Unallocated corporate capital expenditure							8	-
							<u>1,564</u>	<u>5,567</u>

4. SEGMENT INFORMATION (CONTINUED)

Geographical segments

The following table presents revenue for the Group's geographical segment based on the location of external customers.

	Revenue from external customers Six months ended 30 September	
	2007 (Unaudited) HK\$'000	2006 (Unaudited) HK\$'000
Europe	24,944	60,186
North America	18,264	30,060
South America	5,367	6,151
Asia Pacific	50,419	4,773
Middle East	6,321	6,410
Oceania	2,290	2,023
	107,605	109,603

Carrying amount of segment assets and capital expenditure by location of assets are as follows:

	Segment assets at 30 September		Capital expenditure Six months ended 30 September	
	2007 (Unaudited) HK\$'000	2006 (Unaudited) HK\$'000	2007 (Unaudited) HK\$'000	2006 (Unaudited) HK\$'000
Europe	10,931	10,950	–	10
North America	–	10,757	–	–
South America	1,181	6,242	–	–
Asia Pacific	366,090	227,316	1,564	5,557
Middle East	1,890	2,525	–	–
Oceania	–	396	–	–
	380,092	258,186	1,564	5,567

5. SEASONALITY OF OPERATIONS

The Group's business on sales of electrical appliance is subject to seasonal fluctuations as a result of festivals or holidays. In particular, the Group enjoys high turnover of the electrical appliances and correspondingly the gross profits for Christmas and New Year season. The Group attempts to minimize the seasonal impact through management of inventories to meet the demand during this period.

The Group's other two divisions, building materials division and real estate division, have no specific seasonality factor.

6. TURNOVER AND OTHER REVENUE

Turnover represents the net invoiced value of good sold after allowances for returns and trade discounts and revenue from construction contracts.

An analysis of turnover and other revenue is as follows:

	Six months ended	
	30 September	
	2007	2006
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Turnover		
Sales of goods	62,309	109,603
Revenue from construction contracts	45,296	–
	107,605	109,603
Other revenue		
Interest income	1,626	674
Net gain on deemed disposal of inventories	186	–
Gain on disposal of property, plant and equipment	7,074	–
Scrap sales	859	–
Others	2,060	1,257
	11,805	1,931
	119,410	111,534

7. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

	Six months ended	
	30 September	
	2007	2006
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
(a) Other operating expenses		
Impairment losses on property, plant and equipment	19,768	–
Impairment losses on mould deposits	5,513	–
Others	139	–
	<u>25,420</u>	<u>–</u>
(b) Other items		
Impairment losses on trade receivables	2,499	–
Cost of inventories sold*	68,989	98,364
Staff costs (including directors' remuneration)	20,225	22,975
Depreciation	5,101	5,070
Minimum lease payments under operating leases for land and building (including directors' quarters)	492	827
Amortization of land lease premium	66	75
	<u>66</u>	<u>75</u>

* Cost of inventories sold includes staff costs of HK\$7,880,000 (2006: HK\$11,420,000) and depreciation of HK\$1,477,000 (2006: HK\$3,884,000), the amount of which is also included in the respective total amounts disclosed separately above.

8. FINANCE COSTS

	Six months ended 30 September	
	2007	2006
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Interest on bank loans and other loans wholly repayable within five years	888	1,372
Finance charges on obligations under finance leases	63	168
	<u>951</u>	<u>1,540</u>

9. INCOME TAX

	Six months ended 30 September	
	2007	2006
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Current tax – Hong Kong Profits Tax	438	–
Current tax – Overseas	574	94
	<u>1,012</u>	<u>94</u>

The provision for Hong Kong Profits Tax is calculated at 17.5% (2006: 17.5%) of the assessable profits arising in Hong Kong for the period. Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

10. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to equity shareholders of HK\$50,249,000 (2006: HK\$19,160,000) and the weighted average number of 1,751,459,000 (2006: 1,143,512,000) ordinary shares in issue during the period.

(b) Diluted loss per share

No diluted loss per share has been disclosed as the outstanding bonus warrants had an anti-dilutive effect on the basic loss per share for the six months ended 30 September 2007 and 2006.

11. COMMITMENTS

- (a) The Group's capital commitments outstanding at 30 September 2007 not provide for in the financial statements were as follows:

	At 30 September 2007 (Unaudited) HK\$'000	At 31 March 2007 (Audited) HK\$'000
Contracted, but not provided for	<u>1,476</u>	<u>1,479</u>

- (b) At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases are payable as follows:

	At 30 September 2007 (Unaudited) HK\$'000	At 31 March 2007 (Audited) HK\$'000
Within one year	1,594	1,970
In the second to fifth years, inclusive	<u>184</u>	<u>714</u>
	<u>1,778</u>	<u>2,684</u>

12. CONTINGENT LIABILITIES

Financial guarantee issued

The Group undertook the obligation under a buy-back undertaking entered with a bank of RMB20,046,000 (equivalent to HK\$20,647,000) (2006: HK\$Nil) relating to the mortgage loans arranged for certain purchasers of the Group's properties sold. Pursuant to the terms of the undertaking, in the event of any default in mortgage payments by any of these purchasers, the Group is responsible to repay the outstanding mortgage principal balances together with accrued interest and penalties owed by the defaulted purchasers and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period commences from the dates of the drawdown of the relevant mortgage loans and ends when the Group obtains the "property title certificate" for the mortgagees.

A deposit of RMB2,406,000 (equivalent to HK\$2,478,000) was pledged to a bank as security for the Group's obligation under the above undertaking.

The Group provided a corporate guarantee and a deposit pledged to a bank for the issuance of a performance bond, in favour of an independent third party relating to a construction contract, amounting to HK\$3,000,000.

No recognition was made because the fair value of the undertaking or guarantee as above was insignificant and that the directors did not consider it probable that a claim would be made against the Group under the undertaking or guarantee.

13. MATERIAL RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties during the six months ended 30 September 2007.

(a) Key management personnel remuneration

The key management personnel of the Group are the directors of the Company. The remuneration of directors during the six months ended 30 September 2007 is as follows:

	Six months ended 30 September	
	2007	2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Salaries and other benefits	4,717	2,073
Contribution to retirement benefit scheme	37	32
	<u>4,754</u>	<u>2,105</u>

(b) Other related party transactions

		Six months ended 30 September	
		2007	2006
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited)
Interest expenses paid to a director	(i)	–	207
Rental of a director's quarter paid to a related company	(ii)	270	270
Rental of office premises paid to a related company	(iii)	440	440
Purchase of a motor vehicle from a director	(iv)	–	341
		<u>–</u>	<u>341</u>

13. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

Notes:

- (i) The interest expenses for the six months ended 30 September 2006 related to an advance from a director, Mr. Cheng. The interest was calculated at a rate of 1% per annum over and above the prime rate.
- (ii) The Company has entered into a lease agreement with a related company, Mountain Dew Limited, a company controlled by Mr. Kwok Hon Lam, a director of the Company, to lease a director's quarter for a period of 33 months commencing on 1 March 2006 at a monthly rental of HK\$45,000 (2006: HK\$45,000).
- (iii) The Company has entered into a lease agreement with a related company, Gold Regent International Limited, a company controlled by Mr. Cheng, a director of the Company, to lease an office premises for a period of two years commencing on 1 March 2007 at a monthly rental of HK\$73,000 (2006: HK\$73,000).
- (iv) The Company has entered into a purchase agreement with a director, Mr. Cheng, to purchase a motor vehicle from him at a consideration of HK\$341,000 during the six months ended 30 September 2006.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF RESULTS

The Group's turnover was slightly dropped by 1.8% to approximately HK\$107.6 million for the six months ended 30 September 2007 (2006: HK\$109.6 million). The decrease was mainly due to the significant drop of the turnover of home appliances manufacturing business by HK\$47.3 million. Nevertheless, it was encouraged that the building materials business has recorded a significant growth with a turnover of approximately HK\$45.3 million for the period. The gross profit decreased by 94.5% to HK\$0.6 million as compared to HK\$11.2 million in the corresponding period last year. The major cause was that there was recorded a gross loss of approximately HK\$6.7 million in the home appliances manufacturing business due to its substantial write-off and write-down of inventories of approximately HK\$12.3 million arising from the abandon of certain unprofitable product lines during the period. The gross profit for the building materials business for the period was approximately HK\$7.3 million. The Group's net loss attributable to shareholders was approximately HK\$50.2 million (2006: HK\$19.2 million). The further loss was caused by the home appliances manufacturing business which recorded a net loss of approximately HK\$45.9 million for the period (2006: HK\$12.1 million), after certain exception items such as impairment loss on property, plant and equipment and written off of mould deposits by approximately HK\$19.7 million and approximately HK\$5.5 million respectively due to the abandon of certain unprofitable product lines, impairment loss on trade receivables of approximately HK\$2.5 million as well as gain on disposals of property, plant and equipment of approximately HK\$7.1 million.

FINANCIAL REVIEW

On 6 July 2007, the Company successfully completed the placing of 307,000,000 new shares at the Placing Price of HK\$0.50 per new share. The net proceeds from the top-up Subscription of HK\$147.5 million have been used to finance general working capital of the Group.

The Group's gearing ratio expressed as a percentage of total interest-bearing borrowings over equity attributable to the Company's equity shareholders, reduced from 21.1% at the beginning of the period to 9.5% as at 30 September 2007. The decrease was mainly due to the enlarged Group's capital base as a result of the aforesaid Placing of Shares. As at 30 September 2007, the Group's working capital was approximately HK\$205.3 million (2006: HK\$47.0 million). Cash and bank balance as at 30 September 2007 was HK\$174.3 million.

BUSINESS REVIEW AND PROSPECTS

Home Appliances Manufacturing Business

The turnover of the Group's home appliances manufacturing business was approximately HK\$62.3 million (2006: HK\$109.6 million), a 43.2% decrease over last period. Certain unprofitable product lines have been dropped and the scale of operation has been diminished. The business of home appliances has been facing severe competition and envisaged that it will continue in the future. The Group will continue to control the production costs and its general and administrative expenses. Furthermore, the Group will take appropriate measures in studying the feasibility of restructuring of the home appliances manufacturing business.

Property Development Business

The Group is engaged in the development of property projects in Dongguan, Guangdong Province, the PRC. At present, the Group has a residential property development project namely, Jia Lake Mountain Villa, in Liaobu, Dongguan, the PRC with a GFA of approximately 47,000 square meters. Besides, the Group has also renovated and revitalized the existing shopping mall with floor space of approximately 13,000 square meters inventories into investment properties for long term investment and rental purposes.

Building Materials Business

The turnover of the Group's building materials business was approximately HK\$45.3 million (2006: HK\$nil). The business has been developed with concentrating in marble, trendy and light-weight building materials supply and installation. In view of the rapid development in property market in Macau, China and Hong Kong, the Group expects the contribution from the building material business to be considerable in the coming financial year.

During the past few months, the Group has invited new directors to the board. The board considers that the major task is to consolidate the Group's operation and to realign its business focus to bring it back to profitable.

With China's rapid economic growth, continued rise in people's disposable income, accelerated urbanization, appreciation of Renminbi and excess capital liquidity, the Group expects the prosperity of the property market will continue to grow. With the strengthened capital structure, the Group is in a better position to carry out measures on the Group's operation and to explore other potential investment opportunities in the future to enhance shareholders' value.

HUMAN RESOURCES AND REMUNERATION POLICY

The Group had a total of approximately 999 employees as at 30 September 2007 (2006: 1,784) mostly in Hong Kong and mainland China. The total amount of remuneration paid by the Group to its employees (including directors) for the interim period was approximately HK\$20.2 million (2006: HK\$23.0 million).

Employees' remuneration are fixed and determined with reference to the market remuneration. In addition to the offering of competitive remuneration packages to the employees, discretionary bonuses may be granted to its employees based on the Group's results and the individual performance of the employees. The Group also maintains staff share option scheme. The remuneration policy and packages are reviewed from time to time.

INTERIM DIVIDEND

The Board of the Company does not declare an interim dividend for the six months ended 30 September 2007 (2006: Nil).

PURCHASE, SALE OR REDEMPTION OF SECURITIES

On 6 July 2007, the Company successfully completed the placing of 307,000,000 new shares at the Placing Price of HK\$0.50 per new share. The net proceeds from the top-up Subscription of HK\$147.5 million have been used to finance general working capital of the Group.

SHARE OPTION SCHEME

A share option scheme was adopted by the shareholders of the Company on 9 September 2002. Pursuant to the Share Option Scheme, the Company may grant options to the Company's directors and other employees of the Group to provide incentives or rewards for their contribution to the success of the Group's operation.

As at 30 September 2007, the total number of shares available for issue under the Share Option Scheme was 191,477,268 shares. No options were granted, exercised, cancelled or lapsed under the Share Option Scheme during the period under review and there were no outstanding share option as at 30 September 2007.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the Code and Provisions in the Code of Corporate Governance Practices as set out in Appendix 14 of the Listing Rules during the six months ended 30 September 2007, except for the following deviation:

- (1) The Non-executive Director and the Independent Non-executive Directors of the Company were not appointed for specific terms. However, Non-executive Director and the Independent Non-executive Directors are subject to re-election, either by rotation in accordance with the provisions of the Bye-laws of the Company or on a voluntary basis, at least once every three years.
- (2) The Company has not established a Nomination Committee. However, according to the Bye-laws of the Company, the Board is empowered to appoint Director(s) at any time so as to fill a casual vacancy or, to add a new member of the Board. Appointment is made on the basis of the qualifications, experience and personality of the appointee.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made a specific enquiry, all the Directors confirmed that they had complied with the required standards set out in the Model Code for the six months ended 30 September 2007.

AUDIT COMMITTEE

The Audit Committee comprises three Independent Non-executive Directors namely Mr. Chan Sun Kwong, Mr. Wu Chi Chiu and Mr. Lo Chi Ho, William. The Audit Committee has reviewed the unaudited condensed consolidated interim financial statements of the Group and the interim report for the six months ended 30 September 2007. After review and discussions, the Audit Committee recommended the Board's approval of the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2007.

DISCLOSURE OF INFORMATION ON THE STOCK EXCHANGE'S WEBSITE

The electronic version of this announcement will be published on the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (<http://chinariseholdings.com>).

By order of the Board
China Rise International Holdings Limited
Cheng Tun Nei
Chairman

Hong Kong, 2 November 2007

As at the date of this announcement, the Directors of the Company are as follows:

Executive Directors:

Mr. Cheng Tun Nei (*Chairman*)
Dr. Siu Miu Man (*Chief Executive Officer*)
Mr. Teoh Tean Chai, Anthony
Ms. Chung Oi Ling, Stella

Independent Non-executive Directors:

Mr. Chan Sun Kwong
Mr. Lo Chi Ho William
Mr. Wu Chi Chiu

Non-executive Director:

Ms. Li Wa Hei

* *For identification purpose only*