

EVEREST INTERNATIONAL INVESTMENTS LIMITED

首富國際投資有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 204)

INTERIM RESULTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2004

The board of directors (the “Board”) of EVEREST INTERNATIONAL INVESTMENTS LIMITED (the “Company”) hereby announces the unaudited consolidated results of the Company and its subsidiary (collectively the “Group”) for the six months ended 30 September 2004 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended	
		30.9.2004	30.9.2003
	Notes	HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Turnover	2	1,570	—
Cost of trading securities sold		(1,569)	—
Unrealised holding gain on trading securities		5	—
Operating income		6	—
Loss on disposal of investment in securities		—	(1,048)
Over provision of other receivables for prior period		150	—
Administrative expenses		(1,907)	(2,299)
Loss from operations		(1,751)	(3,347)
Loss on disposal of an associate		—	(2,192)
Loss before taxation	3	(1,751)	(5,539)
Taxation	4	—	—
Loss for the period		(1,751)	(5,539)
Loss per share – basic	6	(0.49 cents)	(2.18 cents)

NOTES TO CONDENSED FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

These condensed unaudited interim financial statements are prepared in accordance with Hong Kong Statement of Standard Accounting Practice No. 25 - "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants and Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The accounting policies adopted are consistent with those applied in the preparation of the Group's annual financial statements for the year ended 31 March 2004.

2. TURNOVER

An analysis of turnover is as follow:

	Six months ended 30.9.2004 HK\$'000	Six months ended 30.9.2003 HK\$'000
Turnover		
Proceeds from sale of trading securities	1,554	–
Interest income	16	–
	<u>1,570</u>	<u>–</u>

No segment information is presented as all of the turnover, contribution to operating results of the Group are attributable to investment activities which are carried out or originated principally in Hong Kong.

3. LOSS BEFORE TAXATION

	Six months ended 30.9.2004 HK\$'000	30.9.2003 HK\$'000
Loss before taxation has been arrived at after charging:		
Directors' remuneration		
– fees	60	19
– other emoluments	300	600
Retirement benefits scheme contributions	22	20
Other staff costs	344	144
Total staff costs	<u>726</u>	<u>783</u>
Depreciation	104	99
Investment management fee	200	211
	<u>200</u>	<u>211</u>

4. TAXATION

No provision for Hong Kong profits tax is required since the Group has no assessable profit for the both periods.

5. INTERIM DIVIDEND

The Board does not recommend payment of any interim dividend for the period under review (2003: Nil).

6. LOSS PER SHARE – BASIC

The calculation of the loss per share is based on the loss for the six months ended 30 September 2004 of approximately HK\$1,751,000 (six months ended 30 September 2003: approximately HK\$5,539,000) and on the number of 355,056,000 (six months ended 30 September 2003: the weighted average number of approximately 254,652,000) shares in issue during the period.

BUSINESS REVIEW AND OUTLOOKS

For the six months ended 30 September 2004, the Group has continued to rectify its investment objective with an aim to minimize losses arising from unsound investments and to strengthen its investment portfolio with stable revenue-generating power. The Group reported a loss of approximately HK\$1,751,000 as compared with a loss of approximately HK\$5,539,000 for the same period last year. The improvement was due mainly to higher revenue derived from disposal of trading securities, as well as, from unrealized holding gains on trading securities. With the proactive actions taken to recover other receivables, and as a result of the Directors' stringent control and their unceasing effort, HK\$150,000 has been recovered from one of the debtors and contributed to income of the period. The Group's cash position remained relatively high, which enables capitalization of future favorable investment opportunities coming to the fore.

The Directors see more favorable investment opportunities emerging in Hong Kong in light of the closer economic ties with PRC. The Group will exercise extreme precaution in managing its investment profile while striving for long-term interests of its shareholders.

PURCHASE, SALE AND REDEMPTION OF SHARES

During the period under review, neither the Company nor its subsidiary had purchased, sold or redeemed any of the Company's shares.

AUDIT COMMITTEE

The audit committee, which comprises of three independent non-executive directors of the Company, has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the Group's unaudited financial statements for the six months period ended 30 September 2004.

COMPLIANCE WITH THE CODE OF BEST PRACTICE

In the opinion of the Board, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules during the period under review.

DISCLOSURE OF INFORMATION ON THE INTERNET

All information required by paragraphs 46 of Appendix 16 of the Listing Rules will be published on the website of the Stock Exchange of Hong Kong Limited in due course.

By Order of the Board
Wang Chun Lin
Chairman

Hong Kong, 20 December, 2004.

The directors of the Company as at the date of this announcement are Messrs. Wang Chun Lin being the Executive Director, Messrs. Luk Cheong, Wang Annie and Li Jian Wei being the Non-Executive Directors. Messrs. Li Man Nang, Wang Tianye and Fang Tsz Ying being the Independent Non-Executive Directors.

* *For identification purpose only*

Please also refer to the published version of this announcement in China Daily.