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This announcement, for which the directors of Riverhill Holdings Limited (the “directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Riverhill Holdings Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:– (1) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



Riverhill Holdings Limited
山河控股有限公司*

(incorporated in Cayman Islands with limited liability)

(Stock code : 8127)

**DELAY IN ANNOUNCEMENT AND DISPATCH OF REPORT OF RESULTS
OF THE COMPANY FOR THE THIRD QUARTER FROM 1 JANUARY 2004
TO 31 MARCH 2004**

The board of directors of the Company (“the Directors”) regrets that the announcement and dispatch of report of results of the Company for the third quarter from 1 January 2004 to 31 March 2004 (“Third Quarterly Results”) is postponed until further notice (“the Delay”). Pursuant to The Rules Governing The Listing of Securities on The Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (“the Listing Rules”) Rules 18.66 and 18.79, the last date for release of the Third Quarterly Results announcement and dispatch of the report of results (“the Report”) to shareholders should be 14 May 2004.

The Delay constitutes a breach of the Listing Rules. The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) reserves its right to take any appropriate action against the Company and its directors.

The reason causing the Delay is the Company does not have the resources to make the announcement of results and to print and dispatch the Report to shareholders at the moment.

In order to utilize the very limited resources of the Company effectively the Company has previously tried to apply a waiver of issuing of the Report from the Stock Exchange based on the following ground:

- (1) The shares of the Company is still suspended from trading,
- (2) There has been no turnover recorded yet for the year 2004,
- (3) There has been no material changes to the state of the Company since the issue of the Interim Report 2004 of the Company to shareholders on 12 February 2004, and
- (4) To the best belief of the Directors there is no new information which the Directors consider it is necessary to draw the attention of shareholders.

However the application of the waiver was rejected by the Stock Exchange on 14 May 2004.

The Directors would like to point out the followings to shareholders:

- (1) The cash balance of the Company is about HK\$9,000 on the date of this announcement,
- (2) A loan of HK\$200,000 was procured by Global Eagle Investments Limited, a substantial shareholder of the Company to finance the general and administrative expenses of the Company incurred during the third quarter from 1 January 2004 to 31 March 2004. The interest of the loan is HK\$15,000 and the loan period is from 3 February 2004 to 24 March 2004. As the loan is already overdue, the Company is trying to extend the repayment date as well as procuring new loans to finance the overhead of the Company, and
- (3) The Directors are still working hard to try to save the Company.

The unaudited consolidated results of the Company and its subsidiaries for the three months and nine months ended 31 March 2004 together with the unaudited comparative figures for the corresponding periods in 2003 are as follows:

	For the three months ended 31st March,		For the nine months ended 31st March,	
	2004	2003	2004	2003
	HK\$	HK\$	HK\$	HK\$
TURNOVER	–	1,369,574	–	3,390,437
Cost of sales	–	(779,274)	–	(2,139,810)
Gross profit	–	590,300	–	1,250,627
Other revenue	–	71,844	–	291,436
Selling and distribution costs	–	(147,102)	–	(999,619)
General and administrative expenses	(274,882)	(2,878,138)	(1,080,317)	(10,410,207)
LOSS FROM OPERATING ACTIVITIES	(274,882)	(2,363,096)	(1,080,317)	(9,867,763)
Share of losses of associates	–	(109,129)	–	(394,927)
Written off investments in subsidiaries and associates	–	–	(8,570,218)	–
LOSS BEFORE TAXATION	(274,882)	(2,472,225)	(9,650,535)	(10,262,690)
Taxation	–	–	–	–
LOSS BEFORE MINORITY INTERESTS	(274,882)	(2,472,225)	(9,650,535)	(10,262,690)
Minority interests	–	89,925	–	322,807
NET LOSS ATTRIBUTABLE TO SHAREHOLDERS	<u>(274,882)</u>	<u>(2,382,300)</u>	<u>(9,650,535)</u>	<u>(9,939,883)</u>

By Order of the Board
Riverhill Holdings Limited
Ng Kay Kwok
Director

Hong Kong, 18 May 2004

As at the date hereof, the executive directors of the Company are Mr. Ng Kay Kwok and Mr. Shum Sai; the independent non-executive directors of the Company are Mr. Chu Chi Kong, Francis and Mr. Cheung Kwok Chiu, Kris.

This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days from its date of publication.

* *for identification purpose only*