連發國際股份有限公司
Ever Fortune International Holdings Limited
(Incorporated in Bermuda with limited liability)
(Stock code: 875)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

The board of directors (the "Board") of Ever Fortune International Holdings Limited (the "Company") announce the unaudited interim results of the Company and its subsidiaries (collectively referred to as "the Group") for the six months ended 30 June 2008 together with the comparative figures for the previous period as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2008

	Notes	For the six months ended 30 June 2008 HK$'000 (Unaudited)	2007 HK$'000 (Unaudited)
Continuing operations			
Turnover	2	**—**	1,189
Other income	4	**63**	257
Raw materials and consumables used		**—**	(301)
Staff costs		**(1,089)**	(1,803)
Exchange gain on deregistration of subsidiaries		**1,255**	—
Depreciation		**(257)**	(72)
Loss arising from changes in fair value less estimated point-of-sale costs of biological assets		**—**	(2,036)
Other operating expenses		**(4,385)**	(11,562)
Loss before income tax	5	**(4,413)**	(14,328)
Income tax expenses	6	**—**	(16)
Loss for the period		**(4,413)**	(14,344)
Loss attributable to:			
Equity holders of the Company		**(4,413)**	(14,344)
Minority interests		**—**	—
		(4,413)	(14,344)
Dividends	7	**—**	—
Loss per share attributable to the equity holders of the Company during the period			
— basic	8	**(HK0.17 cents)**	(HK0.57 cents)
— diluted		**N/A**	N/A

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2008

	Note	**As at 30 June 2008 HK$'000 (unaudited)**	As at 31 December 2007 HK$'000 (audited)
Non-current assets			
Property, plant and equipment		**881**	1,137
Leasehold land and land use rights		**—**	—
Biological assets		**—**	—
Intangible assets		**—**	—
		881	1,137
Current assets			
Leasehold land and land use rights		**—**	—
Biological assets		**—**	—
Inventories		**—**	—
Trade and other receivables	*9*	**1,807**	1,204
Cash and bank balances		**3,184**	14,497
		4,991	15,701
Current liabilities			
Trade and other payables	*10*	**53,064**	58,450
Provisions		**—**	—
Bank borrowings		**—**	249
Other borrowings		**86**	86
		53,150	58,785
Net current liabilities		**(48,159)**	(43,084)
Total assets less current liabilities		**(47,278)**	(41,947)
Capital and reserves attributable to the equity holders of the company			
Issued capital		**25,325**	25,325
Reserves		**(72,603)**	(67,272)
		(47,278)	(41,947)
Minority interests		**—**	—
Total equity		**(47,278)**	(41,947)

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2008 has been prepared in accordance with HKAS 34 "Interim Financial Reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2007, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants.

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards ("HKFRSs" which term collectively includes individual HKFRSs, HKASs and Interpretations) that are effective for accounting periods beginning on or after 1 January 2008. The adoption of these new HKFRSs has had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new/revised standards or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[2]
HKAS 32 and HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[1]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations[1]
HKFRS 3 (Revised)	Business Combinations[2]
HKFRS 8	Operating Segments[1]
HK(IFRIC) - Interpretation 13	Customer Loyalty Programmes[3]

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 July 2009
3 Effective for annual periods beginning on or after 1 July 2008

The Group is in the process of making an assessment of the impact of these new/revised standards and interpretations to the Group's results of operations and financial position in the period of initial application.

2. TURNOVER

Turnover represents revenue arising on sales of tree seedlings and seeds, and rental income for the period.

	For the six months ended 30 June	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Rental income from exhibition centre operation	—	853
Sales of tree seedlings and seeds	—	336
	—	1,189

3. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

a) Exhibitions and events: Management of exhibition and event centres.

b) Tree seedlings and seeds: Nurturing, selling and trading of tree seedlings and seeds.

There were no inter-segment sales and transfer during the period.

No separate analysis of financial information by business segments is presented for the six months ended 30 June 2008 as the Group has no principal business during the period.

An analysis of the Group's turnover, contribution to loss from operatons for the period ended 30 June 2007 and certain assets, liabilities and expenditure information regarding business segments is as follow:

	For the six months ended 30 June 2007		
	Tree seedings and seeds *HK$'000* (unaudited)	**Exhibitions and events** *HK$'000* (unaudited)	**Consolidated** *HK$'000* (unaudited)
Revenue			
External sales	336	853	1,189
Other revenue	140	107	247
Total revenue	476	960	1,436
Segment results	324	810	1,134
Unallocated income			10
Unallocated expenses			(15,472)
Finance costs			—
Loss before income tax			(14,328)
Income tax expense			(16)
Loss for the period			(14,344)
Depreciation and amortisation			
— segment	(1,339)	—	(1,339)
— unallocated			(68)
Impairment loss on other receivables			
— segment	—	—	—
— unallocated			—
Impairment loss on intangible assets			
— segment	—	—	—
— unallocated			—
Provisions			
— segment	—	—	—
— unallocated			—

	For the six months ended 30 June 2007		
	Tree seedings and seeds	**Exhibitions and events**	**Consolidated**
	HKD'000	*HKD'000*	*HKD'000*
	(unaudited)	(unaudited)	(unaudited)
Loss arising from changes in fair value less estimated point-of-sale costs of biological assets	(2,036)	—	(2,036)
Segment assets	99,115	9,036	108,151
Unallocated assets			11,701
Total assets			119,852
Segment liabilities	105,292	731	106,023
Unallocated assets			59,262
Total liabilities			165,285
Capital expenditure incurred during the year			
— segment	—	—	—
— unallocated			949
Total			949

Geographical segments

All of the activities of the Group are based in Mainland China and all of the Group's turnover and loss before income tax are derived from Mainland China. Accordingly, no geographical segment information is presented.

4. OTHER INCOME

	For the six months ended 30 June	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Bank interest income	**63**	27
Other interest income	**—**	91
Others	**—**	139
	63	257

5. LOSS BEFORE INCOME TAX

Operating loss is stated after (crediting) and charging the followings:

	For the six months ended 30 June	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Cost of inventories sold	**—**	301
Staff costs, including directors' emoluments	**1,089**	1,803
Amortisation of leasehold land and land use rights	**—**	1,335
Depreciation	**257**	72
Loss from changes in fair value less estimated point-of-sale costs of biological assets	**—**	2,036
Exchange gain on deregistration of subsidiaries	**(1,255)**	—
Minimum lease payments under an operating lease in respect of land and buildings	**1,397**	377

6. INCOME TAX

	For the six months ended 30 June	
	2008	2007
	HK$'000	*HK$'000*
		(unaudited)
Hong Kong profits tax	**—**	—
Overseas profits tax	**—**	16
	—	16

Hong Kong profits tax has not been provided as the Group had no assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

There was no significant unprovided deferred tax charge in respect of the period.

7. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2008 (2007: Nil).

8. LOSS PER SHARE

(a) Basic

The calculation of basic loss per share for the period is based on the loss attributable to ordinary equity shareholders of the Group of HK$4,413,000 (six months ended 30 June 2007: loss of HK$14,344,000) and the weighted average number of 2,532,543,083 ordinary shares (six months ended 30 June 2007: 2,532,543,083) in issue during the period.

(b) Diluted

Diluted loss per share amount for the current and prior periods have not been disclosed as there were no dilutive potential shares in issue during both periods.

9. TRADE AND OTHER RECEIVABLES

	30 June 2008 *HK$'000* **(unaudited)**	31 December 2007 *HK$'000* (audited)
Trade receivables *(note a)*	**—**	—
Other receivables, deposit and prepayments	**1,807**	1,204
	1,807	1,204

Note:

(a) The Group's trading terms with its customers were mainly on credit. The credit period is generally for a period ranging from 90 to 180 days, except for certain major/well-established customers, whereby the credit period is extended beyond 180 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

The ageing analysis of the trade receivables balances was as follows:

	30 June 2008 *HK$'000* **(unaudited)**	31 December 2007 *HK$'000* (audited)
Within 90 days	**—**	—
91 days to 180 days	**—**	—
181 days to 365 days	**—**	—
Over 365 days	**—**	—
	—	—

Upon the disposal of North Asia on 28 December 2007, the Group had no trade receivables as at 31 December 2007 and 30 June 2008.

10. TRADE AND OTHER PAYABLES

	30 June 2008	31 December 2007
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Trade payables *(note a)*	**—**	—
Other payables and accruals	**2,909**	2,884
Due to related companies *(note 13)*	**50,155**	55,566
	53,064	58,450

Note:

(a) The ageing analysis of the trade payables was as follows:

	30 June 2008	31 December 2007
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Within 90 days	**—**	—
91 days to 180 days	**—**	—
181 days to 365 days	**—**	—
Over 365 days	**—**	—
	—	—

Upon the disposal of North Asia on 28 December 2007, the Group had no trade payables as at 31 December 2007 and 30 June 2008.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group reports a loss of HK$4,413,000 in respect of the six months ended 30 June 2008. The Group did not have any active operation. Except for the operating expenses, and exchange gain of HK$1,255,000 arose from the deregistration of the two subsidiaries in Mainland China.

Resumption proposal is being prepared for submission to the Stock Exchange and further announcement will be made if there is any development in this respect.

Liquidity and financial resources

The Group financed the operations primarily from advance from shareholders. As at 30 June 2008, the Group had cash and bank balances of HK$3,184,000 (31 December 2007: HK$14,497,000). As at 30 June 2008, the Group's current ratio was 0.09 (31 December 2007: 0.26).

Charges on assets

Save as disclosed, the Group had not pledged any asset to its bankers as at 30 June 2008.

Gearing Ratio

Group's gearing ratio as at 30 June 2008 was 9.05 (31 December 2007: 3.49), which was arrived at by dividing the total liabilities by total assets.

Contingent liabilities and guarantees

As at 30 June 2008, the Group had not provided any guarantees in favor of any third party nor were there any significant contingent liabilities.

CAPITAL COMMITMENTS

The Group did not have any significant capital commitments for the current and prior period.

Exposure to foreign exchange risk

During the period, the Group conducted its business transactions principally in Hong Kong dollars and Renminbi. The Group had not experienced any material difficulties or negative effects on its operations as a result of fluctuations in currency exchange rates. The Board believes it was not necessary to hedge the exchange risk.

Capital expenditure

As at 30 June 2008, there has not been any material capital expenditure.

Material acquisitions and disposals

On 14 March 2008, two subsidiaries of the Group, namely 連雲港豪景實業有限公司 and 連雲港旭景實業有限公司 were deregistered. The deregistration of the subsidiaries during the period has resulted in an exchange gain of HK$1,255,000 for the period ended 30 June 2008. Save as disclosed, there has not been any material acquisitions or disposals of assets of the Group.

Employees and remuneration policies

As at 30 June 2008, the Group has a total of 4 (2007: 40) employees. It is the corporate policy of the Group to set the remuneration of its employees at a level consummate with their responsibilities, experience and qualification and in line with market conditions.

The Company has adopted a share option scheme (the "Scheme") in June 2002. Eligible participants under the Scheme includes, among others, the Company's directors, independent non-executive directors and other directors/employees of the Group. As at 30 June 2008, there are no outstanding options under the Scheme.

Prospects

In the forthcoming months, the directors will proceed with the resumption proposal and will work closely with the Stock Exchange with a view to obtain relevant approval, resulting in the resumption of trading of the shares of the Company as soon as possible.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2008, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

To the best knowledge of and so far as is known to the current members of the Board, the Company has complied with the Code Provisions ("Code Provisions") as set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules with the exception of Code Provision A.4.2.

A.4.2 Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

The Company's bye-laws deviate from Code Provision A.4.2 as it provides that one-third of the directors for the time being (save for the Chairman or Managing Director), or if their number is not three nor three nor a multiple of three, then the number nearest to one-third, shall retire from office and being eligible, offer themselves for re-election at the annual general meetings and that any new director appointed by the Board during the year shall hold office until the next following annual general meeting after appointment, and he/she shall be eligible for re-election.

To conform with Code Provision A.4.2, the Company in practice has complied with and adopted the said Code Provision A.4.2. According to the current corporate governance practices of the Company, all directors of the Company shall recommend themselves for re-election once every three years and any new director appointed to fill a casual vacancy shall submit himself/herself for re-election by shareholders at the first general meeting after appointment.

AUDIT COMMITTEE

The current audit committee of the Company comprises Mr. So Hoi Pan, Mr. Yim Hing Wah and Mr. Zhao Wen, all of whom are independent non-executive directors of the Company. The audit committee has reviewed with management the unaudited condensed consolidated financial statements of the Group for the six months ended 30th June, 2008 and has discussed auditing, internal control, the accounting principles and practices adopted by the Group.

THE MODEL CODE

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" as set out in Appendix 10 to the Listing Rules. Having made specific enquiries with all the directors of the Company, the directors confirmed for the six months ended 30 June 2008 that they have complied with the "Model Code for Securities Transactions by Directors of Listed Issuers" as set out in Appendix 10 of Listing Rules.

PROCEEDINGS INVOLVING THE COMPANY

As at 30 June 2008, the Group owed an amount of HK$6,415 to a third party, being interest due on a judgment debt. The amount was settled in full on 28 August 2008 and the Company was absolutely discharged and released from the judgment debt.

With the completion of the disposals of its operating subsidiaries in December 2007, the Group is no longer involved in any of the other proceedings mentioned in the annual report of the Company for the year 2007.

At the request of the Company, trading in the securities of the Company has been suspended since 9:30 a.m. on 28 April, 2005 and will remain suspended until further notice.

INTERIM REPORT

The 2008 Interim Report will be despatched to shareholders and published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.875.com.hk) in due course.

By Order of the Board
Ever Fortune International Holdings Limited
Zhou Wenjun
Chairman

Hong Kong, 19 September 2008

As at the date of this announcement, the Board comprises Mr. Zhou Wenjun, Mr. Ji Kewei, Mr. Ding Jiangyong, Mr. Dai Jun and Mr. Sun Kejun, being the Executive Directors; Mr. So Hoi Pan, Mr. Yim Hing Wah and Mr. Zhao Wen, being the Independent Non-Executive Directors.