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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)

VERY SUBSTANTIAL DISPOSAL AND RESUMPTION OF TRADING

On 8 December 2007, the Company entered into the Agreement with the Purchaser to dispose of i) the 1st Sale Shares and the 2nd Sale Shares, representing 100% equity interest in Antec Appliances and Anex Electrical, respectively; and ii) the 1st Sale Loan and the 2nd Sale Loan, representing the entire amounts owing by Antec Appliances and Anex Electrical to the Group on the Completion Date, respectively. Antec Appliances and Anex Electrical are principally engaging in the manufacturing and trading of home appliances. Upon Completion, the Group will cease to hold any interest in the share capital of Antec Appliances and Anex Electrical and would have disposed of its entire home appliance manufacturing business.

As the relevant percentage ratio as defined in the Listing Rules exceeds 75%, the Disposal constitutes a very substantial disposal for the Company under the Listing Rules and is therefore subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules and is subject to the approval of the Shareholders at the SGM.

The Company will despatch to the Shareholders a circular containing further details of the Agreement and a notice convening the SGM as soon as practicable.

Trading in the Shares and Warrants on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 29 November 2007 and should have resumed at 9:30 a.m. on 10 December 2007 as a result of the very substantial acquisition which was announced on 7 December 2007. Nevertheless, at the request of the Company, trading in the Shares and Warrants on the Stock Exchange was remained suspended pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares and Warrants on the Stock Exchange with effect from 9:30 a.m. on 13 December 2007.

* *for identification purpose only*

THE AGREEMENT DATED 8 DECEMBER 2007

Parties:

Seller: The Company

Purchaser: Ocean Alliance (HK) Limited, being an electrical appliance products manufacturer. To the best knowledge and belief of the Directors, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company. The Purchaser is principally engaging in the electrical appliances manufacturing business.

Guarantors: Mr. Li and Ms. Feng

Assets to be disposed

The 1st Sale Shares and the 2nd Sale Shares, representing 100% equity interests in Antec Appliances and Anex Electrical, respectively. The 1st Sale Loan and the 2nd Sale Loan, representing the entire amounts owing by Antec Appliances and Anex Electrical to the Group on the Completion Date, respectively.

Antec Appliances and Anex Electrical are principally engaging in the manufacturing and trading of home appliances. Upon Completion, the Group will cease to hold any interest in the entire issued share capital of Antec Appliances and Anex Electrical and would have disposed of its entire home appliance manufacturing business.

Consideration

The Consideration of HK\$4 was arrived at after arm's length negotiations between the Company and the Purchaser with reference to:

- i) the aggregated net liabilities for Antec Appliances and Anex Electrical, as adjusted by the Asset Revaluation deficit and provision for severance payment (excluding pledged deposits, accounts receivable collaterals and the interest bearing bank loans to be repaid by the Company prior to Completion), as at 30 September 2007 of approximately HK\$3.31 million;
- ii) the aggregated net cash outflow of approximately HK\$33.70 million, HK\$17.63 million and HK\$10.00 million (excluding the sales proceeds of the disposal of properties) incurred by Antec Appliances and Anex Electrical for the two years ended 31 March 2006 and 31 March 2007, and six months ended 30 September 2007, respectively; and
- iii) the aggregated net loss incurred by Antec Appliances and Anex Electrical of approximately HK\$42.25 million, HK\$18.76 million and HK\$32.44 million for the two years ended 31 March 2006 and 31 March 2007, and six months ended 30 September 2007, respectively.

Upon Completion, the Company would allow the Purchaser to use its Dongguan Factory at nil consideration for a period of 6-month. During the period in use, the Purchaser will be responsible for the government and village committee taxes and expenses incurred for use in respect of the Dongguan Factory. Upon completion of the 6 months period, the Purchaser shall return the Dongguan Factory to the Company in its original condition or a penalty of RMB300,000 (equivalent to HK\$315,789) per month shall be payable by the Purchaser to the Company. The arrangement is to allow the Purchaser to have sufficient time for the removal of plant and machinery, inventories and transfer of business to other place of operation. The Purchaser has no intention to purchase the Dongguan Factory owned by Anco Industrial Co. Ltd (BVI). The Company has no current intention to dispose of Anco Industrial Co. Ltd (BVI) immediately following Completion.

As a guarantee for the Purchaser to carry out its obligations under the Agreement, the Guarantor will provide personal guarantees to the Company and a pledged guarantee for a period of 30 months from the date of Completion by pledging its 25% interest in the Purchaser with an approximate value of HK\$8 million. The Guarantor is interested in 100% equity interest of the Purchaser.

There will be no change in the board composition of the Company upon Completion.

Conditions precedent

Completion will take place on the third business day after the following conditions are fulfilled or such other date as the parties to the Agreement may agree:

- (i) upon the Agreement and transactions contemplated thereunder have been approved by the Directors and Shareholders at the SGM;
- (ii) upon the Agreement and transactions contemplated thereunder have been approved by the directors of the Purchaser and the shareholders of the Purchaser;
- (iii) upon release of the Company as the guarantor for the existing financial leasing arrangements by Antec Appliances and Anex Electrical; and
- (iv) execution of the guarantee documents by the Guarantor.

Completion is independent of and not conditional upon completion of the very substantial acquisition as announced by the Company on 7 December 2007. None of the above conditions are waivable in the event that any of the above conditions precedent shall not have been fulfilled on or before 29 February 2008 (or such later date as the parties to the Agreement may agree in writing), the Agreement shall forthwith terminate.

Non-competition undertaking

The Company and its associates has undertaken to the Purchaser that, within six months upon Completion, except with the prior consent of the Purchaser, the Company and its associates will not engage in any home appliance manufacturing business that would directly or indirectly compete with the Purchaser's home appliance manufacturing business.

INFORMATION RELATING TO ANTEC APPLIANCES AND ANEX ELECTRICAL

Antec Appliances and Anex Electrical are principally engaging in the manufacture and trading of home appliances. The unaudited combined financial information of Antec Appliances and Anex Electrical prepared in accordance with the Hong Kong Financial Reporting Standards for the two years ended 31 March 2006 and 2007 and for the six months ended 30 September 2007 are as follows:

	For the year ended 31 March		For the six months ended 30 September
	2006	2007	2007
	<i>HK\$ million</i>	<i>HK\$ 'million</i>	<i>HK\$ million</i>
Turnover	182.32	203.01	62.31
Net loss before taxation and extraordinary items	42.42	18.76	32.44
Net loss after taxation and extraordinary items	42.25	18.76	32.44
			As at
	As at 31 March		30 September
	2006	2007	2007
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
Net assets value (Excluded entire amounts owing by Antec Appliances and Anex Electrical to the group)	51.81	29.99	14.02
Net liabilities	91.84	111.50	144.20

The aforesaid unaudited combined net assets value of HK\$14.02 million of Antec Appliances and Anex Electrical as at 30 September 2007 after adjusting for (i) the Asset Revaluation deficit of approximately HK\$17.28 million and provision for severance payment of approximately HK\$3.99 million; and (ii) the exclusion of pledged deposits of approximately HK\$4.28 million, accounts receivable collaterals of approximately HK\$5.13 million and the interest bearing bank loans of approximately HK\$13.35 million to be repaid by the Company prior to Completion, would have amounted to a net liabilities of approximately HK\$3.31 million as at 30 September 2007.

REASONS FOR THE DISPOSAL

The Group is principally engaged in the design and manufacture of home appliances, trading of merchandises, building materials supply and installation, and property development business.

As stated in the annual and interim reports of the Company, due to keen competition of home appliances manufacturing business, the substantial increases in the essential raw materials costs, the gradual raise of labour cost in the PRC and the appreciation of Renminbi, the Group's home appliances business has recorded consecutive losses in recent years, and with an average annual net cash outflow of approximately HK\$24.52 million for the last two years ended 31 March 2006 and 2007 and the six months ended September 2007. Given the continued unfavourable market conditions, the Directors continue to believe the prospects of the home appliances manufacturing business to remain difficult in coming years. Based on the historical performance, the prevailing keen competition, the limited business prospects of the home appliances manufacturing business and its net realizable value (as stated below), the Group has been reformulating its business strategies to effect the Disposal so as to direct the Group's resources and the management's focus to other business including the mining business recently announced, which the Directors regard would have a more promising business prospects.

The Group expects to realize an estimated loss of approximately HK\$21.9 million (before taxation and expenses) from the Disposal which is calculated based on (i) the Consideration of HK\$4; and (ii) the carrying value of Antec Appliances and Anex Electrical (excluding pledged deposits, accounts receivable collaterals and including repayment of the interest bearing bank loans by the Company) recorded in the unaudited balance sheet of the Group as at 30 September 2007 of approximately HK\$21.9 million. The assets to be disposed amounted to approximately HK\$69.45 million; as well as the liabilities which amounted to approximately HK\$55.43 million as at 30 September 2007 per the Company's accounts. Nonetheless, the Board considers that this one-off estimated loss is justifiable in light of i) the consecutive loss and the annual net cash outflow incurred by Antec Appliances and Anex Electrical in recent years and up to date, with no signs of improvement in near terms; ii) the adjusted net liabilities of Antec Appliances and Anex Electrical, as at 30 September 2007 of approximately HK\$3.31 million after adjusting for the Asset Revaluation, provision for severance payment and exclusion of the pledged deposit, accounts receivable collaterals and the interest bearing bank loans to be repaid by the Company prior to Completion; and iii) the Disposal would minimize any further depletion of assets of the Group and to preserve the Group's working capital for the development of other businesses including the mining business as announced on 7 December 2007. Based on the aforesaid adjusted net liabilities of Antec Appliances and Anex Electrical as at 30 September 2007, the estimated loss from the Disposal would have reduced to approximately HK\$0.62 million.

The Company has commenced negotiation with the Purchaser since early November 2007. However, it was only following the announcement of the very substantial acquisition on 7 December 2007 that the Directors have determined to consummate this negotiation for this Agreement with the Purchaser and entered into the Agreement on 8 December 2007. Upon Completion, the design and manufacturing of home appliance business segment of the Group will be terminated, while the remaining business of the Group will comprise the building materials supply and installation which accounted for approximately 42.1% of the Company's turnover and contributed substantially to the gross profit of the Group for the six months ended 30 September 2007 and property development business and interests in the mining and processing business of magnesite ore in the PRC as described in the announcement of the Company dated 7 December 2007. The Directors consider that such acquisition will enable the Group to participate in the mining industry in the PRC and would broaden the Group's revenue base. The Directors have no present intention to dispose of its building materials supply and installation and property development business segments.

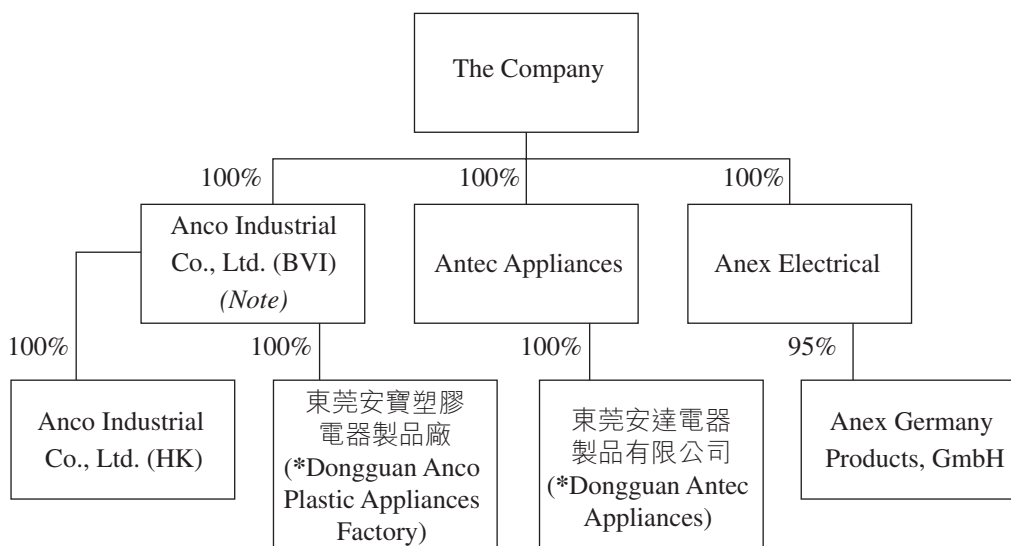
As stated in the Company's announcement dated 7 December 2007, the Board believes that apart from the industry prospects of the building materials supply and installation and property development business, the Company will also focus in the magnesite mining industry in the PRC, which would have a greater growth and earnings potential than those of the home appliances manufacturing business.

Having considered the terms of the Agreement and the above reasons for and benefits of the Disposal, the Board (including the independent non-executive Directors) is of the view that the terms of the Agreement are of normal commercial terms and are fair and reasonable and, is in the interests of the Company and the Shareholders as a whole.

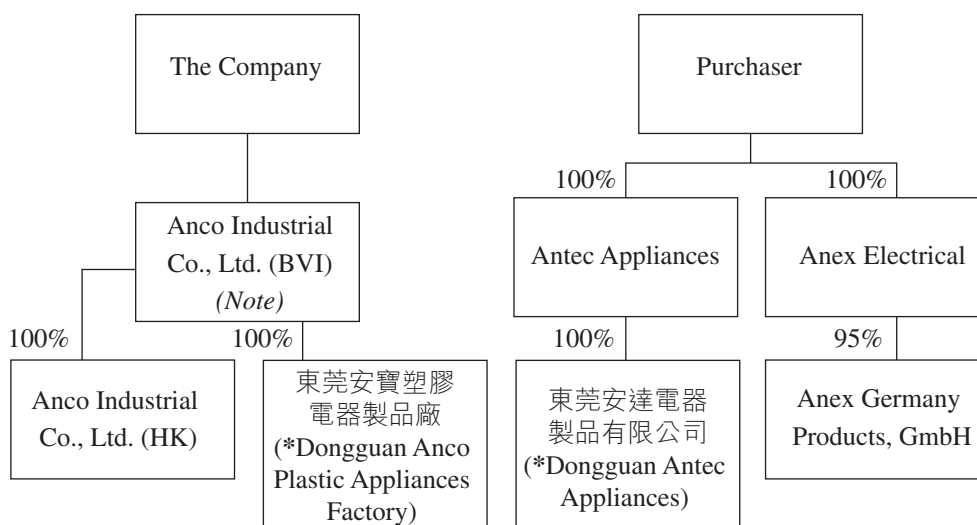
SHAREHOLDING STRUCTURE

The shareholding structures of the Group in respect of the home appliance manufacturing division before and after the Completion are as follows:

Before the Completion:



After the Completion of the Disposal:



Note: Anco Industrial Co., Ltd (BVI) holds the buildings and land use right of Dongguan Factory.

* for identification purpose only

GENERAL

As the relevant percentage ratio as defined in the Listing Rules exceeds 75%, the Disposal constitutes a very substantial disposal for the Company under the Listing Rules and is therefore subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules and is subject to approval of the Shareholders at the SGM. The Purchaser and its ultimate beneficial owners have no prior transaction or relationship with the Group that requires aggregation under Rule 14.22 of the Listing Rules. The Company has no change in control (as defined in the Takeovers Code) in the last 24 months prior to entering into the Agreement.

As the Purchaser is independent of the Company and its connected persons and no Shareholder has a material interest in the Agreement which is different from the other Shareholders, no Shareholder is required to abstain from voting in respect of the relevant resolution to approve the Disposal at the SGM.

The Company will despatch to the Shareholders a circular containing, among other things, details of the Agreement; the accountants' report of the Group; and a notice convening the SGM as soon as practicable.

Trading in the Shares and Warrants on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 29 November 2007 and should have resumed at 9:30 a.m. on 10 December 2007 as a result of the very substantial acquisition which was announced on 7 December 2007. Nevertheless, at the request of the Company, trading in the Shares and Warrants on the Stock Exchange was remained suspended pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares and Warrants on the Stock Exchange with effect from 9:30 a.m. on 13 December 2007.

DEFINITIONS

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

“1st Sale Loan”	all amounts owing by Antec Appliances (including its subsidiary) to the Group as at the day of Completion
“1st Sale Loan Consideration”	the consideration of HK\$1 for the 1st Sale Loan
“1st Sale Shares”	2 shares of HK\$1.00 each in Antec Appliances, representing 100% of the issued share capital of Antec Appliances
“1st Sale Shares Consideration”	the consideration of HK\$1 for the 1st Sale Shares
“2nd Sale Loan”	all amounts owing by Anex Electrical (including its subsidiary) to the Group as at the day of Completion
“2nd Sale Loan Consideration”	the consideration of HK\$1 for the 2nd Sale Loan

“2nd Sale Shares”	90 shares (with voting rights) of HK\$100 each and 30,000 shares (without voting rights) of HK\$100 each, in aggregate, represents 100% of the issued share capital of Anex Electrical
“2nd Sale Shares Consideration”	the consideration of HK\$1 for the 2nd Sale Shares
“Agreement”	the agreement dated 8 December 2007 entered into between the Company, the Purchaser, Mr. Li and Ms. Feng as the Guarantor in relation to the Disposal
“Antec Appliances”	Antec Appliances Ltd., a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company
“Anex Electrical”	Anex Electrical Co., Ltd., a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company
“Asset Revaluation”	the asset revaluation performed by BMI Appraisal Limited, an independent valuer on the furniture and fixtures, machinery and equipment, motor vehicles, moulds and inventories held by Antec Appliances and Anex Electrical on the net realizable value basis as at 30 September 2007
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	China Rise International Holdings Limited (formerly known as Anex International Holdings Limited), a company incorporated in Bermuda whose shares are listed on the main board of the Stock Exchange
“Completion”	completion of the Disposal pursuant to the Agreement
“Completion Date”	the third business day after the conditions precedent to the Agreements are fulfilled
“Consideration”	HK\$4, being the aggregated consideration for the 1st Sale Shares, the 1st Sale Loan, the 2nd Sale Shares and the 2nd Sale Loan
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company

“Disposal”	the disposal of its 100% equity interest in Antec Appliances and Anex Electrical by the Company to the Purchaser pursuant to the Agreement
“Dongguan Factory”	the factory land and buildings together with office and ancillary facilities situated in Anco Industrial Estate, Youganpu, Fenggangzhen, Dongguan, Guangdong Province, the PRC with a gross floor area of approximately 60,000 sq.m.
“Group”	the Company and its subsidiaries
“Guarantor”	Mr. Li and Ms. Feng, both are independent third parties of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Li”	Mr. Li Shubo, a director and shareholder of the Purchaser
“Ms. Feng”	Ms. Feng Yunying, a director and shareholder of the Purchaser
“percentage ratio(s)”	the percentage ratio(s) under Rule 14.07 of the Listing Rules
“PRC”	The People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Purchaser”	Ocean Alliance (HK) Limited, a company incorporated in Hong Kong with limited liability and a third party independent of the Company and connected persons of the Company
“SGM”	a special general meeting of the Company to consider the ordinary resolution to approve the Disposal
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Takeovers Code”	The Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
“Warrants”	the warrant(s) issued by the Company on 5 July 2006 which entitle the holder to subscribe for one Share for every one warrant they hold at the subscription price of HK\$0.10 at any time during the period between 5 July 2006 and 4 July 2008
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

In this announcement, the exchange rate of RMB0.95 to HK\$1 was adopted. No representation is made that any amounts in RMB or HK\$ have been or could have been or could be converted at the above rate or at any other rates or at all.

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

Hong Kong, 12 December 2007

As at the date of this announcement, the board of directors of the Company comprises Mr. Cheng Tun Nei, Dr. Siu Miu Man, Mr. Teoh Tean Chai, Anthony and Ms. Chung Oi Ling, Stella as executive Directors; Ms. Li Wa Hei as non-executive Director; Mr. Chan Sun Kwong, Mr. Lo Chi Ho, William and Mr. Wu Chi Chiu as independent non-executive Directors.