NATIONAL INVESTMENTS FUND LIMITED 國盛投資基金有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1227)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2007

The Board of Directors (the "Board") of National Investments Fund Limited (formerly know as "China Financial Industry Investment Fund Limited")(the "Company") is pleased to announce the unaudited condensed interim results of the Company for the six months period ended 30 June 2007 together with the comparative figures as follows:

CONDENSED INCOME STATEMENT

for the six months ended 30 June 2007

for the six months chaca so time 2007			Six months ended 30 June		
	Note	2007 (Unaudited) HK\$'000	2006 (Unaudited) HK\$'000		
Turnover	4	4,082	142		
Cost of sales		(2,814)	(203)		
Gross profit/(loss)		1,268	(61)		
Other income		<u>600</u> 1,868	(61)		
Reversal of provision for impairment loss of investment deposits Unrealised holding (loss)/profit on		-	1,300		
financial assets at fair value through profit or loss Other operating expenses	5	(897) (1,361)	63 (998)		
(Loss)/profit before income tax		(390)	304		
Income tax expenses	6		-		
(Loss)/profit for the period		(390)	304		
Attributable to: Equity holders of the Company		(390)	304		
Interim dividend	7	<u> </u>	-		
(Loss)/Earnings per share Basic, in HK cents Diluted	8	(0.61) N/A	0.51 N/A		

CONDENSED BALANCE SHEET

as at 30 June 2007

	As at 30 June 2007 (Unaudited) HK\$'000	As at 31 December 2006 (Audited) HK\$'000
Non-current assets		
Available-for-sale financial assets		1,350
Current assets		
Available-for-sale financial assets	1,200	-
Financial assets at fair value through profit or loss	6,484	231
Prepayment, deposits and other receivables	1,990	-
Cash and bank balances	2,672	51
	12,346	282
Total assets	12,346	1,632
Current liabilities		
Accrued charges and other accounts payable	2,589	1,083
Deposits received	200	-
Amount due to a director	•	2,457
	2,789	3,540
Net current assets/(liabilities)	9,557	(3,258)
Net assets/(liabilites)	9,557	(1,908)
Capital and reserves attributable to the Company's equity holders		
Share capital	840	600
Reserves	8,717	(2,508)
Total equity	9,557	(1,908)

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The Company was incorporated on 28 June 2002 as an exempted company with limited liability in the Cayman Islands under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The principal activity of the Company is investment in listed and unlisted companies in Hong Kong, the United Kingdom and the People's Republic of China (the "PRC"). The shares of the Company were listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with effect from 27 September 2002.

The unaudited condensed interim financial statements have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), the Hong Kong Accounting Standard ("HKAS") 34: Interim Financial Reporting and other relevant HKASs and Interpretations and the Hong Kong Financial Reporting Standard ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

2. PRINCIPAL ACCOUNTING POLICY

HK(IFRIC)-INT 10

The condensed financial statements have been prepared under the historical cost basis except for financial assets at fair value through profit or loss and available-for-sale financial assets which are measured at fair value.

The accounting policies used in the condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2006. In the current interim period, the Company has applied, for the first time, the following new standard, amendment and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Company's financial year beginning on 1 January 2007.

HKAS 1 (Amendment)	Capital disclosures ¹
HKFRS 7	Financial instruments: Disclosures ¹
HK(IFRIC)-INT 7	Applying the Restatement Approach under HKAS 29 Financial
	Reporting in Hyperinflationary Economies ²
HK(IFRIC)-INT 8	Scope of HKFRS 2 ³
HK(IFRIC)-INT 9	Reassessment of Embedded Derivatives ⁴

Interim Financial Reporting and Impairment⁵

The adoption of these new HKFRSs had no material effect on the results or financial position of the Company for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Company has not early applied the following new standard, revision and interpretations that have been issued but are not effective.

¹ Effective for annual periods beginning on or after 1 January 2007.

² Effective for annual periods beginning on or after 1 March 2006.

³ Effective for annual periods beginning on or after 1 May 2006.

⁴ Effective for annual periods beginning on or after 1 June 2006.

⁵ Effective for annual periods beginning on or after 1 November 2006.

2. PRINCIPAL ACCOUNTING POLICY (continued)

HKAS 23 (Revised)	Borrowing Costs ¹
HKFRS 8	Operating Segments ¹
HK(IFRIC)-INT 11	HKFRS 2: Group and Treasury Share Transactions ²
HK(IFRIC)-INT 12	Service Concession Arrangements ³
HK(IFRIC)-INT 13	Customer Loyalty Programmes ⁴
HK(IFRIC)-INT 14	HKAS 19 - The Limited on a Defined Benefit Asset, Minimum
	Funding Requirements and their Interaction ³

¹ Effective for annual periods beginning on or after 1 January 2009.

The directors of the Company anticipate that the application of the standard, revision and interpretations will have no material impact on the results and the financial position of the Company.

3. SEGMENT INFORMATION

The Company has determined not to present further business segment information as the Company's turnover, contribution to operating loss(2006: profits), assets and liabilities are attributable to the investments in listed and unlisted companies.

In determining the Company's geographical segments, revenues are attributed to the segments based on the location of the markets, and assets are attributed to the segments based on the location of the assets.

The Company's segment revenue, assets and liabilities for the period, analysed by geographical market, are as follows:

	Hor	ng Kong	The Unit	ed Kingdom	Th	e PRC		Fotal
	As at	As at	As at	As at	As at	As at	As at	As at
	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	31 December 2006
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	12,346	1,251	-	231		150	12,346	1,632
Segment liabilities	2,789	3,540			-		2,789	3,540
	Hor	ng Kong	The Unit	ed Kingdom	Th	e PRC	,	Fotal
		ng Kong ended 30 June		ted Kingdom ended 30 June		e PRC ended 30 June		Total ended 30 June
		0 0		U				
	six months	ended 30 June	six months	ended 30 June	six months	ended 30 June	six months	ended 30 June
	six months 2007	ended 30 June 2006	six months 2007	ended 30 June 2006	six months 2007	ended 30 June 2006	six months 2007	ended 30 June 2006

4. TURNOVER

Turnover represents sales of listed and unlisted securities during the six months period. The amount of each significant category of revenue recognised during the six months period are as follows:

	Six months ended 30 June	
	2007 (Unaudited) HK\$'000	2006 (Unaudited) HK\$'000
Turnover: Sale of financial assets at fair value through profit or loss	4,082	142

² Effective for annual periods beginning on or after 1 March 2007.

³ Effective for annual periods beginning on or after 1 January 2008.

⁴ Effective for annual periods beginning on or after 1 July 2008.

5. OTHER OPERATING EXPENSES

Other operating expenses are including the follows:

	Six months ended 30 June	
	2007	2006
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Employee benefits expenses	446	263
Legal and professional fees	118	187

6. INCOME TAX EXPENSES

No provision of Hong Kong profits tax is required as the Company has no assessable profits for the period (30 June 2006: Nil).

7. INTERIM DIVIDEND

The directors do not recommend the payment of interim dividend for the six months ended 30 June 2007 (30 June 2006: Nil).

8. (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share is based on the Company's net loss attributable to the shareholders of HK\$390,000 (30 June 2006: net profit of HK\$304,000) divided by the weighted average number of shares in issue during the period, being 63,779,005 (30 June 2006: 60,000,000).

There were no dilutive potential shares during the six months periods ended 30 June 2007 and 30 June 2006, therefore, no diluted (loss)/earnings per share have been presented.

9. SUBSEQUENT EVENTS

The following events took place after the balance sheet date:

- (i) Subsequent to the balance sheet date, pursuant to a special resolution duly passed in an extraordinary general meeting held on 23 July 2007, the authorised share capital of the Company was increased from HK\$2,000,000 divided into 200,000,000 ordinary shares of HK\$0.01 each to HK\$20,000,000 divided into 2,000,000,000 ordinary shares of HK\$0.01 each by the creation of an additional 1,800,000,000 ordinary shares of HK\$0.01 each.
- (ii) As fully detailed in the Company's circular dated 5 July 2007 and prospectus dated 30 July 2007 respectively, a rights issue of 1,008,000,000 ordinary shares of the Company to be issued, at HK\$0.05 per rights share, on the basis of 12 rights shares for every 1 then existing share held by qualifying shareholders was approved by the independent shareholders at the extraordinary general meeting held on 23 July 2007. The rights issue was completed in August 2007.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

As at 30 June 2007, investment portfolio of the Company consisted of listed securities with market value HK\$6,484,000 (31 December 2006: HK\$231,000) and unlisted securities amounted to HK\$1,200,000 (31 December 2006: HK\$1,350,000).

For the six months ended 30 June 2007, the Company recorded a net loss of HK\$390,000 (30 June 2006: net profit of HK\$304,000) and this was mainly attributable to the unrealized holding loss on financial assets at fair value through profit or loss of HK\$897,000 (30 June 2006: unrealized holding gain of HK\$63,000).

BUSINESS REVIEW AND PROSPECTS (continued)

The Company was investing and managing in a portfolio of various securities in the securities market. During the interim period, the Company had made various investment transactions in connection with the markets in Hong Kong and the United Kingdom. With the funds generated from placings of the Company's shares during the interim period together with the successful rights issue completed in August 2007, the Board continues to seek, identify, evaluate and capture appropriate investment opportunities not only in Hong Kong, United Kingdom and the Mainland China, but also in the market around the world. The Board is optimistic to the future prospects of financial markets in Hong Kong and the Mainland China, and expects our investments to achieve attractive returns.

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the six months ended 30 June 2007 (30 June 2006: Nil).

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2007, the Company had retained cash of HK\$2,672,000 (31 December 2006: HK\$51,000). As most of the retained cash was placed in Hong Kong Dollars with the Banks in Hong Kong, exposure to exchange fluctuation is considered minimal.

The Company had net current assets of HK\$9,557,000 (31 December 2006: net current liabilities of HK\$1,908,000) and no borrowings or long-term liabilities as at 30 June 2007. The gearing ratio, calculated on the basis of total liabilities over total shareholders' funds as at 30 June 2007, was 0.29 (31 December 2006: undefined as the presence of net liabilities).

EMPLOYEES

As at 30 June 2007, the Company had 13 (31 December 2006: 6) employees, including executive directors, non-executive director and independent non-executive directors. Total staff costs for the interim period amounted to HK\$446,000 (30 June 2006: HK\$263,000). The Company's remuneration policies are in line with the prevailing market practice and are determined on the basis of the performance and experience of individual employee.

CHARGES ON THE COMPANY'S ASSETS AND CONTINGENT LIABILITIES

There were no charges on the Company's assets or any significant contingent liabilities as at 30 June 2007 (31 December 2006: Nil).

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

During the six months period ended 30 June 2007, the Company has not purchased, sold nor redeemed any of its listed securities.

COMPLIANCE WITH THE CORPORATE GOVERNANCE PRACTICE

The Company was committed to maintain high level of corporate governance and has steered its development and protected the interests of shareholders in an enlightened and open manner.

As at 30 June 2007, the Board comprises three executive directors, one non-executive director and four independent non-executive directors. The Company has complied with the Code of Corporate Governance Practices ("Code Provisions") set out in Appendix 14 of the Rules Governing the Listing of Securities ("Listing Rules") on the Stock Exchange during the six months period ended 30 June 2007, with deviation form code provision A.4.1.

Code Provision A.4.1

According to Code Provision A.4.1, non-executive director should be appointed for a specific term, and subject to re-election. Prior to May 2007, non-executive directors of the Company were appointed without specific term but they were subject to retirement by rotation and re-election at the annual general meeting of the Company. Since May 2007, in order to be aligned with Code Provision A.4.1, non-executive directors were appointed with a specific term.

COMPLICANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED SECURITIES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), as set out in Appendix 10 of the Listing Rules, throughout the six months ended 30 June 2007. After having made specific enquiry to all directors of the Company, the directors are of the opinion that they have complied with the required standard set out in the Model Code regarding securities transactions by directors throughout the six months ended 30 June 2007.

AUDIT COMMITTEE

The audit committee, comprising three independent non-executive directors, has reviewed with management the accounting principles and practices adopted by the Company and discussed auditing, internal control and financial reporting matters including a review of the Company's unaudited interim financial statements for the six months ended 30 June 2007.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is posted on the websites of Hong Kong Exchanges and Clearing Limited (www.hkex.com.hk) under "Latest Listed Companies Information" and the Company (www.nif-hk.com). The interim report will be despatched to the shareholders and posted on the aforementioned websites in due course.

By order of the Board
National Investments Fund Limited
Wong Danny F.
Chairman and Executive Director

Hong Kong, 27 September 2007

As at the date hereof, the executive directors of the Company are Mr. Wong Danny F., Mr. Wu Tse Wai, Frederick and Mr. Fong Chi Wah. The non-executive director of the Company is Ms. Yang XiaoFeng. The independent non-executive directors of the Company are Ms. Tam Heung Man, Mr. Char Shik Ngor, Stephen, Mr. Fung Kwok Leung and Mr. Liu Jin.