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EARNEST INVESTMENTS HOLDINGS LIMITED
(Continued into Bermuda with limited liability)
(Stock Code: 339)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

The board of directors (the “Board”) of Earnest Investments Holdings Limited (the “Company”) is pleased to announce the unaudited interim financial results of the Company for the six months ended 30 June 2015 together with the comparative figures for the corresponding period in 2014.

**CONDENSED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

		(Unaudited)	
	<i>Note</i>	Six months ended 30 June	
		2015	2014
		HK\$	HK\$
Revenue	3	22,960	1,559
Loss on disposal of available-for-sale financial assets		-	(50,000)
Gains on disposals of financial assets at fair value through profit or loss		443,882	842,540
Net fair value (losses)/gains on financial assets at fair value through profit or loss		(3,955,337)	18,582,640
Administrative and other operating expenses		<u>(1,567,574)</u>	<u>(1,365,544)</u>
(Loss)/profit before tax		(5,056,069)	18,011,195
Income tax	4	<u>-</u>	<u>(470,707)</u>
(Loss)/profit for the period attributable to owners of the Company	5	(5,056,069)	17,540,488
Other comprehensive income for the period, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the period attributable to owners of the Company		<u>(5,056,069)</u>	<u>17,540,488</u>
(Loss)/earnings per share			
Basic	7	<u>(0.052)</u>	<u>0.217</u>

**CONDENSED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2015**

	<i>Note</i>	(Unaudited) 30 June 2015 HK\$	(Audited) 31 December 2014 HK\$
Current assets			
Financial assets at fair value through profit or loss		38,469,905	36,116,390
Prepayments, deposits and other receivables		1,632,615	362,840
Bank and cash balances		7,930,972	16,764,868
		48,033,492	53,244,098
Current liabilities			
Accruals and other payables		61,000	215,537
Net current assets		47,972,492	53,028,561
NET ASSETS		47,972,492	53,028,561
Capital and reserves attributable to owners of the Company			
Share capital		1,940,000	1,940,000
Reserves		46,032,492	51,088,561
TOTAL EQUITY		47,972,492	53,028,561
Net asset value per share	8	0.49	0.55

Notes:

1. BASIS OF PREPARATION

The unaudited condensed interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

These condensed interim financial statements should be read in conjunction with the Company’s 2014 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2014.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Company has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) that are relevant to its operations and effective for its accounting period beginning on 1 January 2015. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Company’s accounting policies, presentation of the Company’s financial statements and amounts reported for the current period and prior years.

The Company has not early applied new and revised HKFRSs that have been issued but are not yet effective. The directors anticipate that the new and revised HKFRSs will be adopted in the Company’s financial statements when they become effective. The Company has assessed, where applicable, the potential effect of all new and revised HKFRSs that will be effective in future periods but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

3. REVENUE AND TURNOVER

	(Unaudited)	
	Six months ended 30 June	
	2015	2014
	HK\$	HK\$
Dividend income from listed investments	21,500	1,449
Bank interest income	<u>1,460</u>	<u>110</u>
Revenue	22,960	1,559
Proceeds from disposal of available-for-sale financial assets	-	600,000
Proceeds from disposals of financial assets at fair value through profit or loss	<u>18,227,520</u>	<u>11,890,540</u>
Turnover	<u><u>18,250,480</u></u>	<u><u>12,492,099</u></u>

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

4. INCOME TAX

	(Unaudited)	
	Six months ended 30 June	
	2015	2014
	HK\$	HK\$
Deferred tax	<u><u>-</u></u>	<u><u>470,707</u></u>

No provision for Hong Kong Profits Tax is required since the Company has no assessable profit for the period. For the six months ended 30 June 2014, no provision for Hong Kong Profits Tax was made as the Company had sufficient tax losses brought forward to set off against the assessable profit.

5. **(LOSS)/PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY**

The Company's (loss)/profit for the period attributable to owners of the Company is stated after charging the following:

	(Unaudited)	
	Six months ended 30 June	
	2015	2014
	HK\$	HK\$
Investment management fee (<i>Note 6</i>)	180,000	180,000
Directors' remuneration	179,400	175,680
Operating lease charges - land and buildings	<u>84,000</u>	<u>78,000</u>

6. **CONNECTED PARTY TRANSACTIONS**

During the period, the Company paid management fee of HK\$180,000 (2014: HK\$180,000) pursuant to an investment management agreement entered into between the Company and Success Talent Investments Limited as investment manager for a term of three years from 26 July 2012 with a management fee of HK\$30,000 per month payable monthly in arrears. The investment manager is deemed as a connected person of the Company under Rule 21.13 of the Listing Rules.

7. **(LOSS)/EARNINGS PER SHARE**

The calculation of basic (loss)/earnings per share attributable to owners of the Company is based on the loss for the period attributable to owners of the Company of HK\$5,056,069 (2014: profit of HK\$17,540,488) and the number of ordinary shares of 97,000,000 (2014: 81,000,000) in issue during the period.

No diluted (loss)/earnings per share are presented as the Company did not have any dilutive potential ordinary shares during the six months ended 30 June 2015 and 2014.

8. **NET ASSET VALUE PER SHARE**

The calculation of the net asset value per share is based on the net assets of the Company as at 30 June 2015 of HK\$47,972,492 (31 December 2014: HK\$53,028,561) and the number of ordinary shares of 97,000,000 (31 December 2014: 97,000,000) in issue as at that date.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

For the six months ended 30 June 2015, the Company recorded a turnover of approximately HK\$18.3 million (2014: approximately HK\$12.5 million) and a loss attributable to owners of approximately HK\$5.1 million (2014: profit of approximately HK\$17.5 million). The basic loss per share was HK\$0.052 (2014: earnings per share of HK\$0.217). As compared to the last corresponding period, the net loss incurred was mainly due to the increase in unrealized holding loss of the Company's investment in Hong Kong listed securities.

Interim Dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2015 (2014: HK\$ Nil).

Business Review

For the interim period under review, the Company recorded net fair value losses of approximately HK\$4 million on its share portfolio. As at 30 June 2015, the carrying value of the Company's share portfolio was approximately of HK\$38.5 million. As the Company's operating results are mostly driven by trading of listed securities, its performance will be affected by the global investments atmosphere. Nevertheless, the Company will be cautious in securities trading with an aim to grow its share portfolio.

The Company's portfolio of Hong Kong listed securities as at 30 June 2015 consisted of China Dynamics (Holdings) Limited, New Times Energy Corporation Limited, Shougang Concord Century Holdings Limited, APAC Resources Limited, Hong Kong Exchanges and Clearing Limited, Tencent Holdings Limited, China Innovationpay Group Limited, C.banner International Holdings Limited and Shunfeng International Clean Energy Limited.

As at 30 June 2015, 80% (31 December 2014: 68%) of the Company's total investments consisted of a portfolio of Hong Kong listed securities, 3% (31 December 2014: 1%) in other assets, and 17% (31 December 2014: 31%) in cash which was deposited with banks in Hong Kong.

Liquidity and Financial Resources

For the period under review, the Company generally financed its operations and investment activities by internal resources. As at 30 June 2015, the net asset value of the Company was HK\$47,972,492 (31 December 2014: HK\$53,028,561) with net asset value per share of HK\$0.49 (31 December 2014: HK\$0.55).

The Company has no significant liabilities. The gearing ratio of the Company, calculated on the basis of the Company's total liabilities over total owners' equity, was 0.001 as at 30 June 2015 (31 December 2014: 0.004).

All the Company's cash and cash equivalents were denominated in Hong Kong dollars as at the end of the reporting period. The Board believes that the Company has minimal exposure to foreign exchange risk.

Employees

During the reporting period, the Company has 7 staff including directors and the total staff costs for the period amounted to HK\$280,200 (2014: HK\$175,680). The Company's remuneration policies are in line with the prevailing market practice.

Charges on the Company's Assets and Contingent Liabilities

As at 30 June 2015, no charges had been created on the Company's assets and the Company did not have any significant contingent liabilities.

Prospects

The Company's management will adopt a conservative approach in managing the existing investments in accordance with the Company's investment objectives and policies.

Nevertheless, the Company will continue to identify and capture investment opportunities as and when they arise.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the reporting period, the Company neither purchased, sold nor redeemed any of its listed securities.

CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Corporate Governance Code (the “Code”) as set out in Appendix 14 of the Listing Rules. The Company has complied with the code provisions during the six months ended 30 June 2015.

MODEL CODE

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct regarding directors’ securities transactions by its directors. All the directors of the Company have confirmed in writing that they have complied with the required standards as set out in the Model Code throughout the reporting period.

AUDIT COMMITTEE

The Audit Committee of the Company, with its terms of reference established in accordance with the Code, comprises three independent non-executive directors, Mr. CHAN Francis Ping Kuen, Mr. TAN Yee Boon and Mr. WANG Jia Hua. The Committee has reviewed the accounting principles and practices adopted by the Company and in the course has discussed with management the internal controls and financial reporting matters related to the preparation of the unaudited condensed financial statements for the six months ended 30 June 2015.

REVIEW OF ACCOUNTS

Disclosure of financial information in this report complies with Appendix 16 of the Listing Rules.

The Audit Committee of the Company has reviewed the accounting principles and practices adopted by the Company and in the course has discussed with the management the internal controls and financial reporting matters related to the preparation of the unaudited condensed financial statements for the six months ended 30 June 2015.

The external auditor, RSM Nelson Wheeler has reviewed the interim financial information for the six months ended 30 June 2015 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF 2015 INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the Company's website (www.earnest-inv.com) and the Stock Exchange's website (www.hkexnews.hk). The Company's 2015 interim report will be made available on the websites of the Company and Stock Exchange and will be dispatched to Company's shareholders in due course.

By order of the Board
Earnest Investments Holdings Limited
CHAN Chak Paul
Chairman

Hong Kong, 21 August 2015

As at the date of this announcement, the board of directors of the Company consists of three executive directors, Mr. CHAN Chak Paul, Mr. NGAI Wah Sang and Mr. WANG Daming and three independent non-executive directors, Mr. CHAN Francis Ping Kuen, Mr. TAN Yee Boon and Mr. WANG Jia Hua.