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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 2010**

The board of directors (the “Board”) of Earnest Investments Holdings Limited (the “Company”) is pleased to announce that the unaudited interim financial results of the Company for the six months ended 30 June 2010 together with the comparative figures for the corresponding period in 2009.

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2010**

		(Unaudited)	
		Six months ended 30 June	
	Note	2010 HK\$	2009 HK\$
Turnover	4	<u>656,063</u>	<u>3,220,607</u>
Revenue	4	623	2,607
Realised (losses)/gains on disposals of financial assets at fair value through profit or loss		(48,500)	897,750
Realised loss on disposals of available-for-sale financial assets		(200,000)	(800,000)
Net unrealised holding (losses)/gains from financial assets at fair value through profit or loss		(4,010,054)	26,624,035
Administrative and other operating expenses		<u>(1,026,558)</u>	<u>(905,708)</u>
(Loss)/profit before tax		(5,284,489)	25,818,684
Income tax expense	5	<u>-</u>	<u>(518,099)</u>
(Loss)/profit for the period attributable to owners of the Company	6	(5,284,489)	25,300,585
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>(5,284,489)</u>	<u>25,300,585</u>
(Loss)/earnings per share			
Basic	7	<u>(0.065)</u>	<u>0.312</u>

**CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010**

	(Unaudited) 30 June 2010 HK\$	(Audited) 31 December 2009 HK\$
Non-current assets		
Available-for-sale financial assets	<u>650,000</u>	<u>1,350,000</u>
Current assets		
Financial assets at fair value through profit or loss	28,122,601	32,336,595
Prepayments, deposits and other receivables	247,336	93,900
Bank and cash balances	<u>6,486,475</u>	<u>7,113,906</u>
	34,856,412	39,544,401
Current liabilities		
Accruals and other payables	<u>74,500</u>	<u>178,000</u>
Net current assets	<u>34,781,912</u>	<u>39,366,401</u>
NET ASSETS	<u>35,431,912</u>	<u>40,716,401</u>
Capital and reserves attributable to owners of the Company		
Share capital	1,620,000	1,620,000
Reserves	<u>33,811,912</u>	<u>39,096,401</u>
TOTAL EQUITY	<u>35,431,912</u>	<u>40,716,401</u>
Net asset value per share	8 <u>0.44</u>	<u>0.50</u>

Notes:

1. REVIEW BY AUDITOR

The interim financial information of the Company for the six months ended 30 June 2010 has been reviewed by the Company's external auditor, RSM Nelson Wheeler, 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 ("HKICPA") and an unmodified review conclusion has been issued.

2. BASIS OF PREPARATION

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

These condensed financial statements should be read in conjunction with the 2009 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2009.

3. 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 2010. 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 applied the new HKFRSs that have been issued but are not yet effective. The Company has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

4. REVENUE AND TURNOVER

	(Unaudited)	
	Six months ended 30 June	
	2010	2009
	HK\$	HK\$
Dividend income from listed investments	-	2,220
Bank interest income	<u>623</u>	<u>387</u>
Revenue	623	2,607
Proceeds from disposals of available-for-sale financial assets	500,000	2,000,000
Proceeds from disposals of financial assets at fair value through profit or loss	<u>155,440</u>	<u>1,218,000</u>
Turnover	<u>656,063</u>	<u>3,220,607</u>

No segment information is presented as all of the turnover and revenue, 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 and the People’s Republic of China.

5. **INCOME TAX EXPENSE**

(Unaudited)
Six months ended 30 June
2010 2009
HK\$ HK\$

Deferred tax	-	518,099
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No provision for Hong Kong Profits Tax has been made for the six months ended 30 June 2010 as the Company had no assessable profit for the period. No provision for Hong Kong Profits Tax has been made for the six months ended 30 June 2009 since the Company has sufficient tax losses brought forward to set off against assessable profit for that period.

6. **(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
2010 2009
HK\$ HK\$

Investment management fee	180,000	180,000
Total staff costs	201,600	172,800

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\$5,284,489 (2009: profit of HK\$25,300,585) and the number of ordinary shares of 81,000,000 (2009: 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 2010 and 2009.

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 2010 of HK\$35,431,912 (31 December 2009: HK\$40,716,401) and the number of ordinary shares of 81,000,000 (31 December 2009: 81,000,000) in issue as at that date.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

For the six months ended 30 June 2010, the Company's unaudited loss attributable to owners was approximately HK\$5.3 million (2009: profit of HK\$25.3 million) and basic loss per share was HK\$0.065 (2009: earnings per share of HK\$0.312). The loss was mainly due to unrealised holding losses on Hong Kong listed securities.

Business Review

During the period under review, the Company recorded a net unrealised holding loss of approximately HK\$4 million on its share portfolio. As a result, the carrying value of the Company's share portfolio decreased to approximately HK\$28 million as at 30 June 2010. The Board will be cautious in our share trading activity under recent global economic atmosphere and share market volatility.

The Company's portfolio of Hong Kong listed securities as at 30 June 2010 consisted of Sinocop Resources (Holdings) Limited, New Times Energy Corporation Limited, Shougang Concord Century Holdings Limited, Shougang Concord International Enterprises Company Limited and APAC Resources Limited.

During the period, the Company sold an unlisted investment engaged in manufacturing and trading of printed circuit board for HK\$500,000.

As at 30 June 2010, 79% (31 December 2009: 79%) of the Company's total investments were in a portfolio of Hong Kong listed securities, 2% (31 December 2009: 3%) in the equity interests of unlisted companies, 1% (31 December 2009 : 1%) in other assets, and 18% (31 December 2009: 17%) in cash which was deposited with a bank in Hong Kong.

Financial Review

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 2010, the net asset value of the Company was HK\$35,431,912 (31 December 2009: HK\$40,716,401) with net asset value per share of HK\$0.44 (31 December 2009: HK\$0.50).

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 0.002 as at 30 June 2010 (31 December 2009: 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 directors believe that the Company has minimal exposure to foreign exchange risk.

Employees

During the period, the Company did not employ any employees other than the directors of the Company. Total staff costs for the period was HK\$201,600 (2009: HK\$172,800). 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 2010, there were no charges on the Company's assets and the Company did not have any significant contingent liabilities.

Prospects

The Board will manage its existing investments in accordance with the Company's investment objectives, and will continue to identify and capture investment opportunities as and when they arise.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2010 (2009: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Listing Rules. The Company has applied the principles in the Code and complied with the code provisions during the six months ended 30 June 2010 except for the following:

Code Provision E.1.3 stipulates that the Company should arrange notice to shareholders to be sent in the case of annual general meetings at least 20 clear business days before the meeting.

Annual general meeting of the Company was held at 19 May 2010 and the notice was sent to shareholders on 23 April 2010. The Company has not given 20 clear business days of notice for the annual general meeting, but fulfilled the requirement under the Company’s Bye-laws, which requires that an annual general meeting should be called by not less than 21 days notice in writing.

MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 of the Listing Rules as its code of conduct regarding directors’ securities transactions by the directors. All directors have confirmed in writing that they have complied with the required standards as set out in the Model Code throughout the period.

AUDIT COMMITTEE

The audit committee, with its terms of reference established in accordance with the Code, comprises four independent non-executive directors, Mr. CHAN Francis Ping Kuen, Mr. Benny LUI, Mr. TAN Yee Boon and Mr. WANG Jia Hua. The committee has reviewed the Company’s unaudited condensed interim financial statements for the six months ended 30 June 2010.

By order of the Board
CHAN Chak Paul
Chairman

Hong Kong, 27 August 2010

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 four independent non-executive directors, Mr. CHAN Francis Ping Kuen, Mr. Benny LUI, Mr. TAN Yee Boon and Mr. WANG Jia Hua.