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## **EARNEST INVESTMENTS HOLDINGS LIMITED**

**安利時投資控股有限公司\***

*(Continued into Bermuda with limited liability)*

**(Stock Code: 339)**

### **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**Placing Agent**



#### **THE PLACING**

On 21 November 2014 (after trading hours), the Placing Agent and the Company entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best effort basis, a maximum of 16,000,000 Placing Shares to not fewer than six Placees who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

A maximum of 16,000,000 Placing Shares under the Placing represent approximately 19.75% of the existing issued share capital of the Company of 81,000,000 Shares as at the date of this announcement and approximately 16.49% of the then issued share capital of 97,000,000 Shares as enlarged by the Placing. The aggregate nominal value of the Placing Shares under the Placing will be HK\$320,000.

The Placing Price of HK\$1.10 represents a discount of approximately 19.12% to the benchmarked price of the Shares, which is the higher of (i) the closing price of HK\$1.36 as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) the average closing price of HK\$1.33 for the last 5 trading days prior to the date of the Placing Agreement.

The Placing is conditional upon, among other things, the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Placing Shares.

The maximum gross proceeds from the Placing will be approximately HK\$17.6 million. The maximum net proceeds from the Placing will amount to approximately HK\$17 million which is intended to be used for working capital of the Company and future investments yet to be identified. At present, there are no specified investments or potential investments identified by the Company. The maximum net price raised per Share upon the completion of the Placing will be approximately HK\$1.06 per Share.

The Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

## **THE PLACING AGREEMENT**

### **Date**

21 November 2014 (after trading hours)

### **Issuer**

The Company

### **Placing Agent**

The Placing Agent has conditionally agreed to place a maximum of 16,000,000 Placing Shares on a best effort basis and will receive a placing commission of 2.5% on the gross proceeds of the actual number of Placing Shares being placed. Having considered the Placing Price and the terms of the Placing, the Directors are of the view that the placing commission of 2.5% is fair and reasonable.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

### **Placees**

The Placing Agent will place the Placing Shares to not fewer than six Placees who and whose ultimate beneficial owners are not connected persons of the Company and are third parties independent of and not connected with the Company and its connected persons.

## **Number of Placing Shares**

The 16,000,000 Placing Shares under the Placing represent approximately 19.75% of the existing issued share capital of the Company of 81,000,000 Shares as at the date of this announcement and approximately 16.49% of the then issued share capital of 97,000,000 Shares as enlarged by the Placing. The aggregate nominal value of the Placing Shares under the Placing will be HK\$320,000.

## **Ranking of Placing Shares**

The Placing Shares under the Placing will rank, upon issue, pari passu in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

## **Placing Price**

The Placing Price of HK\$1.1 represents a discount of approximately 19.12% to the benchmarked price of the Shares, which is the higher of (i) the closing price of HK\$1.36 as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) the average closing price of HK\$1.33 for the last 5 trading days prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

## **The Placing Shares**

The Placing Shares will be issued under the General Mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the AGM subject to the limit up to 20% of the then issued share capital of the Company as at the date of the AGM. Under the General Mandate, the Company is authorized to issue up to 16,200,000 Shares. Up to the date of this announcement, no Share has been issued under the General Mandate.

## **Condition of the Placing Agreement**

Completion of the Placing Agreement is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in all of the Placing Shares.

If the above condition is not satisfied on or before 5 December 2014 or such later date to be agreed between the Company and the Placing Agent in writing, the Placing will be terminated and the Placing will not proceed and all obligations and liabilities of the parties under the Placing Agreement will forthwith cease and determine and no party will have any claim against the others.

## **Termination of the Placing**

Under the Placing Agreement:

- (1) the Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by notice in writing to the Company at any time up to 8:00 a.m. on the Completion Date if:
  - (a) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
  - (b) there is any breach of the warranties, representations and undertakings given by the Company in the Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
  - (c) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; or
  - (d) any statement contained in all announcements, circulars, financial reports issued by the Company to the Stock Exchange and/or the Shareholders since the publication of the announcement of the Company relating to the final results of the Company for the year ended 31 December 2013 has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Placing;
- (2) the Company may, in its reasonable opinion, after consultation with the Placing Agent, terminate the Placing Agreement by notice in writing to the Placing Agent at any time up to 8:00 a.m. on the Completion Date if there is a breach of the warranties, representations and undertakings given by the Placing Agent in the Placing Agreement and such breach is considered by the Company on reasonable grounds to be material.

Upon termination of the Placing Agreement pursuant to the above paragraphs, all liabilities of the parties thereto hereunder shall cease and determine and no party thereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save in respect of any antecedent breach of any obligation under the Placing Agreement.

## **Completion of the Placing**

Completion of the Placing will take place within four Business Days after the fulfillment of the condition set out in the Placing Agreement or such other date as may be agreed between the Company and the Placing Agent.

## REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company. The Company is principally engaged in the investment and trading of listed and unlisted companies.

In view of the current market, the Directors consider that the Placing represents a good opportunity for the Company to raise additional capital to enhance its capital base and broaden its shareholders' base.

The Directors consider that the terms of the Placing Agreement, which were arrived at after arm's length negotiations between the Company and the Placing Agent, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The maximum gross proceeds from the Placing will be approximately HK\$17.6 million. The maximum net proceeds from the Placing will amount to approximately HK\$17 million which is intended to be used for working capital of the Company and future investments yet to be identified. At present, there are no specified investments or potential investments identified by the Company. The maximum net proceeds raised per Share upon the completion of the Placing will be approximately HK\$1.06 per Share.

## FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any fund raising activities in the past twelve months before the date of this announcement.

## EFFECTS ON SHAREHOLDING STRUCTURE

The existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon completion of the Placing is set out as below:

Shareholders	As at the date this announcement		Upon completion of the Placing	
	Number of Shares	Approximate % of shareholding	Number of Shares	Approximate % of shareholding
Winsome Worldwide Limited (Note 1)	22,275,000	27.50	22,275,000	22.96
YAU Mei Han	14,051,250	17.35	14,051,250	14.49
Supreme Zone Investments Limited (Note 2)	11,812,500	14.58	11,812,500	12.18
<b>Public</b>				
Placees	–	–	16,000,000	16.49
Other public Shareholders	32,861,250	40.57	32,861,250	33.88
Total	81,000,000	100.00	97,000,000	100.00

*Notes:*

1. The 22,275,000 Shares were held by Winsome Worldwide Limited which was wholly owned by Ms. SIU Kwan. By virtue of the SFO, Ms. SIU Kwan was deemed to be interested in the 22,275,000 Shares.
2. The 11,812,500 Shares were held by Supreme Zone Investments Limited which was wholly owned by Mr. XIA Jun. By virtue of the SFO, Mr. XIA Jun was deemed to be interested in the 11,812,500 Shares.

## **GENERAL**

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

The Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

## **TERMS AND DEFINITIONS**

“AGM”	the annual general meeting of the Company held on 9 May 2014
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday, Sunday and public holiday), on which licensed banks in Hong Kong are generally open for business in Hong Kong
“Company”	Earnest Investments Holdings Limited, a company continued into Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	the mandate granted to the Directors by the Shareholders at the AGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any individuals, corporate, institutional or other investor(s) procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of up to 16,000,000 new Shares pursuant to the terms of the Placing Agreement

“Placing Agent”	CNI Securities Group Limited, a licensed corporation to carry on business in type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 4 (advising on securities) regulated activities under the SFO
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 21 November 2014 in relation to the Placing
“Placing Price”	HK\$1.1 per Placing Share
“Placing Share(s)”	a maximum of 16,000,000 new Shares to be placed pursuant to the Placing Agreement
“PRC”	The People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.02 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

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

Hong Kong, 21 November 2014

*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.*

\* *For identification purpose only*