

Earnest

Investments Holdings Limited

(Continued into Bermuda with limited liability)

(stock code:339)

Interim Report **2015**



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. CHAN Chak Paul (*Chairman*)
Mr. NGAI Wah Sang (*Deputy Chairman & Chief Executive Officer*)
Mr. WANG Daming

Independent Non-executive Directors

Mr. CHAN Francis Ping Kuen
Mr. TAN Yee Boon
Mr. WANG Jia Hua

COMPANY SECRETARY

Ms. CHUI Yee Man

AUDITOR

Messrs. RSM Nelson Wheeler
Certified Public Accountants

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

PRINCIPAL PLACE OF BUSINESS

Room A,
5/F., Xiu Hua Commercial Building
211-213 Jaffe Road
Wanchai, Hong Kong

PRINCIPAL BANKER

Hang Seng Bank

STOCK CODE

339

INVESTMENT MANAGER

Success Talent Investments Limited

DIRECTORS OF THE INVESTMENT MANAGER

Ms. ZHENG Wanqiu
Mr. CHOI Wai Yin

AUDIT COMMITTEE

Mr. CHAN Francis Ping Kuen (*Chairman*)
Mr. TAN Yee Boon
Mr. WANG Jia Hua

REMUNERATION COMMITTEE

Mr. TAN Yee Boon (*Chairman*)
Mr. CHAN Francis Ping Kuen
Mr. WANG Jia Hua

NOMINATION COMMITTEE

Mr. CHAN Chak Paul (*Chairman*)
Mr. TAN Yee Boon
Mr. CHAN Francis Ping Kuen

PRINCIPAL REGISTRAR

Appleby Management
(Bermuda) Limited
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

BRANCH REGISTRAR

Tricor Tengis Limited
Level 22
Hopewell Centre
183 Queen's Road East
Hong Kong

Management Discussion and Analysis

The Board of Directors (the “Board”) of Earnest Investments Holdings Limited (the “Company”) is pleased to present the unaudited interim financial results for the six months ended 30 June 2015.

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.

Management Discussion and Analysis

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.

Management Discussion and Analysis

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.

Other Information

SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was approved by its shareholders on 26 May 2006. The Scheme constitutes a share option scheme governed by Chapter 17 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

During the reporting period, no option was granted, exercised, cancelled, or lapsed under the Scheme and there was no outstanding option as at 30 June 2015.

DIRECTORS' INTERESTS IN SHARES AND RIGHTS TO ACQUIRE SHARES

As at 30 June 2015, no share option has been granted to the directors of the Company under the Scheme.

As at 30 June 2015, none of the directors of the Company or their associates had any interest and short position in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571, Laws of Hong Kong (the "SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code").

Other Information

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2015, the register of substantial shareholders maintained under Section 336 of the SFO showed that the following shareholders had an interest of 5% or more in the shares and underlying shares of the Company:

Name of shareholder	Number of shares held	Percentage of total in issue as at 30 June 2015
Winsome Worldwide Limited (<i>Note 1</i>)	22,275,000*	22.96%
SIU Kwan (<i>Note 1</i>)	22,275,000 [#]	22.96%
YAU Mei Han	13,781,250*	14.21%
Supreme Zone Investments Limited (<i>Note 2</i>)	11,812,500*	12.18%
XIA Jun (<i>Note 2</i>)	11,812,500 [#]	12.18%

* Beneficial owner

[#] Interest of controlled corporation

Note 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.

Note 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.

All the interests disclosed above represent long position in the ordinary shares of the Company.

Save as disclosed above, no other person had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Other Information

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.

CHANGE IN DIRECTOR'S INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Mr. WANG Daming, an Executive Director of the Company, has resigned as a non-executive director of Jiangsu Nandasoft Technology Company Limited (*a company listed on the GEM of the Hong Kong Stock Exchange* (Stock Code: 8045)) during the reporting period.

Save as disclosed above, there is no other change in the Directors' information required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules.

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.

Independent Review Report



TO THE BOARD OF DIRECTORS OF EARNEST INVESTMENTS HOLDINGS LIMITED

(Continued into Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 11 to 24 which comprises the condensed statement of financial position of the Company as at 30 June 2015 and the related condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the six-month period then ended and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Independent Review Report

SCOPE OF REVIEW

We conducted our review 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34.

RSM Nelson Wheeler

Certified Public Accountants

Hong Kong

21 August 2015

Condensed Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2015

(Unaudited)

Six months ended 30 June

	Note	2015 HK\$	2014 HK\$
Revenue	5	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		(1,567,574)	(1,365,544)
(Loss)/profit before tax		(5,056,069)	18,011,195
Income tax	6	–	(470,707)
(Loss)/profit for the period attributable to owners of the Company	7	(5,056,069)	17,540,488
Other comprehensive income for the period, net of tax		–	–
Total comprehensive income for the period attributable to owners of the Company		(5,056,069)	17,540,488
(Loss)/earnings per share			
Basic	10	(0.052)	0.217

Condensed Statement of Financial Position

At 30 June 2015

		(Unaudited) 30 June 2015 HK\$	(Audited) 31 December 2014 HK\$
	<i>Note</i>		
Current assets			
Financial assets at fair value through profit or loss	11	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	12	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	13	0.49	0.55

Condensed Statement of Changes in Equity

For the six months ended 30 June 2015

(Unaudited)

	Share capital HK\$	Share premium account HK\$	Contributed surplus account HK\$	Retained profits/ (accumulated losses) HK\$	Total equity HK\$
At 1 January 2014	1,620,000	5,760,000	28,040,011	(196,586)	35,223,425
Total comprehensive income and changes in equity for the period	-	-	-	17,540,488	17,540,488
At 30 June 2014	1,620,000	5,760,000	28,040,011	17,343,902	52,763,913
At 1 January 2015	1,940,000	22,600,000	28,040,011	448,550	53,028,561
Total comprehensive income and changes in equity for the period	-	-	-	(5,056,069)	(5,056,069)
At 30 June 2015	1,940,000	22,600,000	28,040,011	(4,607,519)	47,972,492

Condensed Statement of Cash Flows

For the six months ended 30 June 2015

	(Unaudited)	
	Six months ended 30 June	
	2015	2014
	HK\$	HK\$
Net cash (used in)/generated from operating activities	(8,833,896)	1,985,669
Net (decrease)/increase in cash and cash equivalents	(8,833,896)	1,985,669
Cash and cash equivalents at 1 January	16,764,868	1,370,944
Cash and cash equivalents at 30 June		
Representing bank and cash balances	7,930,972	3,356,613

Notes to the Condensed Interim Financial Statements

For the six months ended 30 June 2015

1. CORPORATE INFORMATION

The Company was continued into Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda. The address of its registered office is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda. The address of its principal place of business is Room A, 5/F., Xiu Hua Commercial Building, No. 211-213 Jaffe Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activity of the Company is investment and trading of listed and unlisted equity securities.

2. 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.

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 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.

Notes to the Condensed Interim Financial Statements

For the six months ended 30 June 2015

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONT'D)

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.

4. FAIR VALUE MEASUREMENTS

The carrying amounts of the Company's financial assets and financial liabilities as reflected in the statement of financial position approximate their respective fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Company's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

The recurring fair value measurements of the Company's financial assets at fair value through profit and loss are using the Level 1 of the fair value hierarchy.

Notes to the Condensed Interim Financial Statements

For the six months ended 30 June 2015

5. 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	1,460	110
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	18,227,520	11,890,540
Turnover	18,250,480	12,492,099

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.

6. INCOME TAX

	(Unaudited)	
	Six months ended 30 June	
	2015	2014
	HK\$	HK\$
Deferred tax	–	470,707

Notes to the Condensed Interim Financial Statements

For the six months ended 30 June 2015

6. INCOME TAX (CONT'D)

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.

7. (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 HK\$	2014 HK\$
Investment management fee (<i>Note 8</i>)	180,000	180,000
Directors' remuneration	179,400	175,680
Operating lease charges – land and buildings	84,000	78,000

8. 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.

9. DIVIDENDS

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2015 (2014: Nil).

Notes to the Condensed Interim Financial Statements

For the six months ended 30 June 2015

10. (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.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	(Unaudited) 30 June 2015 HK\$	(Audited) 31 December 2014 HK\$
Equity securities listed in Hong Kong, at cost	37,022,156	30,713,304
Net fair value gains	1,447,749	5,403,086
Fair value as at period/year end	38,469,905	36,116,390

The fair values of the listed securities are based on quoted market prices.

Notes to the Condensed Interim Financial Statements

For the six months ended 30 June 2015

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

Particulars of the Company's financial assets at fair value through profit or loss as at 30 June 2015 are as follows:

Name of investee company	Place of incorporation	Number of shares held	Proportion of investee's capital owned	Cost HK\$	Market value HK\$	Fair value gains/(losses) HK\$	Dividend income received during the period HK\$	Dividend cover	Net assets
									attributable to the Company HK\$
(a) APAC Resources Limited ("APAC Resources")	Bermuda	220,000	Less than 1%	363,400	44,000	(319,400)	-	N/A	68,036
(b) China Dynamics (Holdings) Limited ("China Dynamics")	Bermuda	48,095,000	1.30%	5,513,451	27,895,100	22,381,649	-	N/A	45,993,579
(c) New Times Energy Corporation Limited ("New Times Energy")	Bermuda	975,000	Less than 1%	20,205,250	297,375	(19,907,875)	-	N/A	1,803,267
(d) Shougang Concord Century Holdings Limited ("Shougang Century")	Hong Kong	48,000	Less than 1%	34,581	20,400	(14,181)	-	N/A	46,477
(e) Hong Kong Exchanges and Clearing Limited ("HKEX")	Hong Kong	23,000	Less than 1%	6,474,511	6,292,800	(181,711)	21,500	2.06	536,318
(f) Tencent Holdings Limited ("Tencent")	Cayman Islands	3,900	Less than 1%	607,073	603,330	(3,743)	-	N/A	50,707
(g) China Innovationpay Group Limited ("Innovationpay")	Bermuda	1,500,000	Less than 1%	1,431,000	1,665,000	234,000	-	N/A	269,114
(h) C.banner International Holdings Limited ("C.banner")	Bermuda	110,000	Less than 1%	328,390	361,900	33,510	-	N/A	102,156
(i) Shunfeng International Clean Energy Limited ("Shunfeng")	Cayman Islands	300,000	Less than 1%	2,064,500	1,290,000	(774,500)	-	N/A	743,572
				<u>37,022,156</u>	<u>38,469,905</u>	<u>1,447,749</u>	<u>21,500</u>		

Notes to the Condensed Interim Financial Statements

For the six months ended 30 June 2015

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

A brief description of the business and financial information of the listed investee companies, based on their published annual and interim reports, is as follows:

- (a) APAC Resources is principally engaged in trading of base metals; and trading and investment of listed securities. The audited consolidated profit attributable to owners of APAC Resources for the year ended 30 June 2014 was approximately HK\$907,260,000 (2013: loss of HK\$2,079,687,000). As at 30 June 2014, the audited consolidated net asset value attributable to owners of APAC Resources was approximately HK\$3,129,201,000 (2013: HK\$2,258,633,000). The unaudited consolidated loss attributable to owners of APAC Resources for the six months ended 31 December 2014 was approximately HK\$897,234,000 (2013: profit of HK\$1,316,017,000). As at 31 December 2014, the unaudited consolidated net asset value attributable to owners of APAC Resources was approximately HK\$1,895,049,000 (2013: HK\$3,548,964,000).
- (b) China Dynamics is principally engaged in (i) investment holding; (ii) trading of metals and mineral; (iii) processing of raw ores and mineral resources; and (iv) development of new energy business. The audited consolidated loss attributable to owners of China Dynamics for the year ended 31 March 2015 was approximately HK\$48,414,000 (2014: HK\$35,986,000). As at 31 March 2015, the audited consolidated net asset value attributable to owners of China Dynamics was approximately HK\$3,544,118,000 (2014: HK\$3,107,783,000).
- (c) New Times Energy is principally engaged in (i) trading of oil products; and (ii) exploration, exploitation, production and sale of nature resources. The audited consolidated loss attributable to owners of New Times Energy for year ended 31 December 2014 was approximately HK\$120,448,000 (2013: profit of HK\$3,771,000). As at 31 December 2014, the audited consolidated net asset value attributable to owners of New Times Energy was approximately HK\$3,845,021,000 (2013: HK\$3,985,746,000).

Notes to the Condensed Interim Financial Statements

For the six months ended 30 June 2015

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

A brief description of the business and financial information of the listed investee companies, based on their published annual and interim reports, is as follows: (cont'd)

- (d) Shougang Century is principally engaged in (i) manufacturing of steel cords; and (ii) processing and trading of copper and brass products. The audited consolidated loss attributable to owners of Shougang Century for the year ended 31 December 2014 was approximately HK\$275,774,000 (2013: HK\$16,590,000). As at 31 December 2014, the audited consolidated net asset value attributable to owners of Shougang Century was approximately HK\$1,861,882,000 (2013: HK\$2,125,254,000).
- (e) HKEX owns and operates (i) the only stock exchange and a futures exchange in Hong Kong and their related clearing houses; and (ii) an exchange for trading of base metals forward and options contracts operating in the United Kingdom. The audited consolidated profit attributable to owners of HKEX for the year ended 31 December 2014 was approximately HK\$5,165,000,000 (2013: HK\$4,552,000,000). As at 31 December 2014, the audited consolidated net asset value attributable to owners of HKEX was approximately HK\$21,273,000,000 (2013: HK\$20,405,000,000). The unaudited consolidated profit attributable to owners of HKEX for the six months ended 30 June 2015 was approximately HK\$4,095,000 (2014: HK\$2,367,000,000). As at 30 June 2015, the unaudited consolidated net asset value attributable to owners of HKEX was approximately HK\$27,922,000,000 (2014: HK\$22,178,000,000).
- (f) Tencent is principally engaged in provision of Internet and mobile value-added services; online advertising services and e-Commerce transactions services to users in the PRC. The audited consolidated profit attributable to owners of Tencent for the year ended 31 December 2014 was approximately HK\$29,976,790,000 (2013: HK\$19,582,000,000). As at 31 December 2014, the audited consolidated net asset value attributable to owners of Tencent was approximately HK\$99,848,222,700 (2013: HK\$74,169,600,000). The unaudited consolidated profit attributable to owners of Tencent for the six months ended 30 June 2015 was approximately HK\$17,680,944,000 (2014: HK\$15,476,887,000). As at 30 June 2015, the unaudited consolidated net asset value attributable to owners of Tencent was approximately HK\$121,924,418,000 (2014: HK\$87,337,536,000).

Notes to the Condensed Interim Financial Statements

For the six months ended 30 June 2015

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

A brief description of the business and financial information of the listed investee companies, based on their published annual and interim reports, is as follows: (cont'd)

- (g) Innovationpay is principally engaged in (i) trading of electronic products, network hardware, financial equipment and communication products; (ii) operations of prepaid card business; and (iii) development and operation of tourism VIP card products, online booking services of air tickets and hotels. The audited consolidated loss attributable to owners of Innovationpay for year ended 31 December 2014 was approximately HK\$122,724,000 (2013: HK\$279,352,000). As at 31 December 2014, the audited consolidated net asset value attributable to owners of Innovationpay was approximately HK\$1,021,822,000 (2013: HK\$823,278,000). The unaudited consolidated loss attributable to owners of Innovationpay for the six months ended 30 June 2015 was approximately HK\$31,501,000 (2014: HK\$19,584,000). As at 30 June 2015, the unaudited consolidated net asset value attributable to owners of Innovationpay was approximately HK\$1,020,034,000 (2014: HK\$968,780,000).
- (h) C. banner is principally engaged in manufacture and sale of branded fashion footwear. The audited consolidated profit attributable to owners of C. banner for the year ended 31 December 2014 was approximately HK\$304,960,000 (2013: HK\$292,226,000). As at 31 December 2014, the audited consolidated net asset value attributable to owners of C. banner was approximately HK\$1,857,378,000 (2013: HK\$2,292,945,000).
- (i) Shunfeng is principally engaged in manufacture and sales of solar cells, solar modules and solar wafers and solar power generation business. The audited consolidated profit attributable to owners of Shunfeng for the year ended 31 December 2014 was approximately HK\$1,646,618,000 (2013: loss of HK\$2,293,518,000). As at 31 December 2014, the audited consolidated net asset value attributable to owners of Shunfeng was approximately HK\$7,639,462,000 (2013: HK\$2,274,830,000).

Notes to the Condensed Interim Financial Statements

For the six months ended 30 June 2015

12. SHARE CAPITAL

	(Unaudited) 30 June 2015 HK\$	(Audited) 31 December 2014 HK\$
Authorised:		
1,000,000,000 ordinary shares of HK\$0.02 each	20,000,000	20,000,000
Issued and fully paid:		
97,000,000 ordinary shares of HK\$0.02 each	1,940,000	1,940,000

During the six months ended 30 June 2015 and 2014, no option was granted, exercised, cancelled or lapsed under the share option scheme of the Company. There were no outstanding share options as at 30 June 2015 and 31 December 2014.

13. 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.

14. APPROVAL OF INTERIM FINANCIAL STATEMENTS

The unaudited condensed interim financial statements were approved and authorised for issue by the Board of Directors on 21 August 2015.