

UNITAS HOLDINGS LIMITED

宏海控股集團有限公司

(Formerly known as Chanceton Financial Group Limited)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8020)

FIRST QUARTERLY REPORT

2017

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This report, for which the directors (the “Directors”) of Unitas Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in This report is accurate and complete in all material respects and not misleading or deceptive; and (2) there are no other matters the omission of which would make any statement herein or in This report misleading.

HIGHLIGHTS

- Unaudited revenue of the Group for the three months ended 30 June 2017 amounted to approximately HK\$13,073,000, representing a decrease of approximately 67.3% when compared with the corresponding period in 2016.
- The Group recorded an unaudited consolidated profit attributable to owners of the Company for the three months ended 30 June 2017 of approximately HK\$307,000 as compared to a loss of approximately HK\$3,568,000 in corresponding period in 2016.
- Profit per share of the Company for the three months ended 30 June 2017 was HK\$0.01 cents.
- The Directors do not recommend the payment of a dividend for the three months ended 30 June 2017.

FIRST QUARTERLY RESULTS (UNAUDITED)

The board of Directors (the "Board") of Unitas Holdings Limited is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the three months ended 30 June 2017, together with the unaudited comparative figures for the three months ended 30 June 2016, as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 30 June 2017

		Three months ended 30 June	
		2017	2016
		(Unaudited)	(Unaudited)
	Notes	HK\$'000	HK\$'000
Revenue	3	13,073	39,923
Cost of operations		(10,496)	(32,259)
Gross profit		2,577	7,664
Other gains and losses	3	5,105	304
Administrative and operating expenses		(5,670)	(4,395)
Finance cost	5	(1,172)	(1,172)
Share of result of an associate		-	(5,174)
Profit/(loss) before income tax	6	840	(2,773)
Income tax	7	(533)	(795)
Profit/(loss) for the period		307	(3,568)
Other comprehensive loss, net of tax			
Share of changes in other comprehensive income in an associate		-	(7)
Other comprehensive income/(loss) for the year, net of tax		-	(7)
Total comprehensive loss for the year		307	(3,575)
Profit/(loss) attributable to owners of the Company for the year		307	(3,568)
Total Comprehensive income/(loss) attributable to owners of the Company for the year		307	(3,575)
Earning/(loss) per share	9		
- Basic and diluted (HK cents)		0.01	(0.16)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2017

	Attributable to owners of the Company						Retained profits/ (Accumulated losses)	Total Equity
	Share capital	Share premium	Other reserve	Exchange translation reserve	Convertible bond reserve	Share Option reserve		
	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	
At 1 April 2017 (audited)	23,330	179,881	19	157	22,856	1,954	(213,252)	14,945
Profit for the period	-	-	-	-	-	-	307	307
Other comprehensive income for the period	-	-	-	-	-	-	-	-
At 30 June 2017 (unaudited)	23,330	179,881	19	157	22,856	1,954	(212,945)	15,252
At 1 April 2016 (audited)	22,600	144,131	529	64	22,856	1,954	(14,699)	177,435
Loss for the period	-	-	-	-	-	-	(3,568)	(3,568)
Other comprehensive loss for the period	-	-	-	(7)	-	-	-	(7)
At 30 June 2016 (unaudited)	22,600	144,131	529	57	22,856	1,954	(18,267)	173,860

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FIRST QUARTERLY RESULTS

For the three months ended 30 June 2017

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 20 April 2011 as an exempted company with limited liability under the Companies Law (2010 Revision) of the Cayman Islands. The address of its registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is located at Room 801B, 8/F, Tsim Sha Tsui Centre, West Wing, Tsim Sha Tsui, Kowloon, Hong Kong. The Company's shares were listed on the GEM of the Stock Exchange on 12 October 2011.

The Company is an investment holding company. The principal activities of its subsidiaries are provision of corporate finance advisory services mainly to listed and non-listed companies in Hong Kong and the People's Republic of China (the "PRC") and provision of dry bulk shipping services.

2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES

The Group's unaudited condensed consolidated first quarterly financial statements for the three months ended 30 June 2017 have been prepared in accordance with Hong Kong Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the GEM Listing Rules. The principal accounting policies used in the Group's unaudited condensed first quarterly financial statements are consistent with those adopted in the financial statements for the year ended 31 March 2017 and these unaudited condensed consolidated first quarterly financial statements should be read in conjunction with such financial statements.

The Group's unaudited condensed consolidated first quarterly financial statements for the three months ended 30 June 2017 are presented in Hong Kong dollars ("HK\$") except when otherwise indicated. The Group has adopted new or revised standards, amendments to standards and interpretations of Hong Kong Financial Reporting Standards ("new HKFRSs") which are effective for accounting periods commencing on or after 1 January 2017. The adoption of such new HKFRSs does not have material impact on the consolidated accounts and does not result in substantial changes to the Group's accounting policies.

The condensed consolidated accounts have not been audited by the Company's auditors, but have been reviewed by the Company's audit committee.

3. REVENUE, OTHER GAINS AND LOSSES

Revenue, which is also the Group's turnover, represents fees income received from corporate finance advisory services rendered and income from dry bulk shipping during the period.

An analysis of revenue and other income and gains is as follows:

	Three months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Revenue		
Corporate finance advisory income	1,985	963
Dry bulk shipping income	11,088	38,960
	<hr/>	<hr/>
	13,073	39,923
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Other gains and losses		
Interest income from a promissory note	198	267
Bank interest income	1	1
Sundry income	–	36
Fair value change in financial assets at FVTPL:		
– Unrealised loss on financial assets at FVTPL	(2,720)	–
– Realised gain on financial assets at FVTPL	7,626	–
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	5,105	304
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4. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by reportable segment :

	Corporate finance advisory service		Dry bulk shipping		Consolidated	
	Three months ended 30 June		Three months ended 30 June		Three months ended 30 June	
	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Revenue	1,985	963	11,088	38,960	13,073	39,923
Segment results	5,152	(16)	(219)	5,517	4,933	5,501
Unallocated corporate expenses					(2,921)	(1,928)
Share of result of an associate					-	(5,174)
Finance cost					(1,172)	(1,172)
Profit/(loss) before tax					840	(2,773)
Income tax					(533)	(795)
Profit/(loss) for the period					307	(3,568)

5. FINANCE COSTS

	Three months ended 30 June	
	2017	2016
	(Unaudited) <i>HK\$'000</i>	(Unaudited) <i>HK\$'000</i>
Imputed interest on convertible bond	1,172	1,172

6. PROFIT/(LOSS) BEFORE TAX

The Group's loss before tax is arrived at after charging the following:

	Three months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Employee benefit expenses (including directors' remuneration)		
– Wages, salaries, allowances and bonus	4,292	2,903
– Pension scheme contributions*	69	67
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	4,361	2,970
	<hr/>	<hr/>
Depreciation	123	6
Minimum lease payment under operating lease:		
– Property rental	244	244

* As at 30 June 2017 and 2016, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years.

7. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) for the three months ended 30 June 2017.

	Three months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Current tax	726	988
Deferred tax	(193)	(193)
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	533	795
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8. DIVIDENDS

The Board does not recommend the payment of any dividend for three months ended 30 June 2017 (for the three months ended 30 June 2016: nil).

9. EARNING/(LOSS) PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	Three months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Profit/(loss) attributable to the owners of the Company for the purpose of basic and diluted loss per share	307	(3,568)

Number of Shares

	Three months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited)
	'000	'000
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share (Note)	2,333,000	2,260,000

During the three months ended 30 June 2017, the Company's outstanding convertible bond and share options were not included in the calculation of diluted loss per share because the effect of the Company's outstanding convertible bond and share options were anti-dilutive and therefore the diluted loss per share are the same as the basic loss per share.

During the three months ended 30 June 2016, the Company's outstanding convertible bond was not included in the calculation of diluted loss per share because the effect of the Company's outstanding convertible bond was anti-dilutive and therefore the diluted loss per share are the same as the basic loss per share.

10. APPROVAL OF UNAUDITED CONDENSED CONSOLIDATED FIRST QUARTERLY FINANCIAL STATEMENTS

The unaudited condensed consolidated first quarterly financial statements of the Group were approved and authorised for issue by the Board on 14 August 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group is principally engaged in the provision of corporate finance advisory services mainly to listed and non-listed companies in Hong Kong and the PRC and provision of dry bulk shipping services.

Corporate finance advisory services

The Group continues seeking to position itself as one of the active local corporate finance advisory service providers in Hong Kong. The Group provides a broad range of corporate finance advisory services to its clients, including:

- (i) advising on the Listing Rules, the GEM Listing Rules and Takeovers Code;
- (ii) acting as independent financial adviser to transactions of listed issuers falling under the Listing Rules, the GEM Listing Rules and the Takeovers Code;
- (iii) advising on M&A activities and other corporate activities; and
- (iv) advising on corporate resumption.

During the period under review, the Group recorded revenue from corporate finance advisory segment of approximately HK\$1,985,000 for the three months ended 30 June 2017 (2016: HK\$963,000), representing an increase of approximately 106.1% when compared to the corresponding period in 2016. During the period under review, the momentum of our existing clients regained. During the period under review, due to the increase in fair value of remuneration shares and share-base award granted by certain listed clients, we have recognized a gain of approximately HK\$4.9 million.

Dry bulk shipping services

During the period under review, revenue contributed from dry bulk shipping business was approximately HK\$11.09 million (2016: HK\$38.96 million), representing a decrease of approximately 71.5%. The dry bulk shipping business recorded net loss of approximately HK\$219,000 (2016: Net profit HK\$4.53 million) for the three months ended 30 June 2017. The performance of the dry bulk shipping business is disappointing. The loss was mainly due to defer in client orders.

The Company's Directors and management will continue to dedicate their best effort to lead the Group to strive for the best interests for its Shareholders.

Financial Review

Results

For the three months ended 30 June 2017, revenue of the Group decreased by approximately 67.3% to approximately HK\$13,073,000 from approximately HK\$39,923,000 in the corresponding period in 2016. Such decrease was mainly due to decrease in revenue from the Group's dry bulk shipping business from approximately HK\$38.96 for the three months ended 30 June 2016 to approximately HK\$11.09 million for the same period in 2017, representing a decrease of approximately 71.5%.

The Group's administrative and operating expenses for the three months ended 30 June 2017 increased by approximately 29% to approximately HK\$5,670,000 compared to approximately HK\$4,395,000 for the corresponding period in 2016. The increase in administrative and operating expenses were mainly due to the increase in salary.

The Group's profit attributable to owners of the Company for the three months ended 30 June 2017 was approximately HK\$307,000 compared to a loss approximately HK\$3,568,000 for the corresponding period last year. The profit was mainly attributable to the release from share of amortization of intangible assets and loss of an associate of the Company.

FOREIGN EXCHANGE EXPOSURE

The Group continues to adopt a conservative treasury policy with all bank deposits being kept in either Hong Kong dollars, keeping a minimum exposure to foreign exchange risks.

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluation of the financial conditions of its clients. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

PLEDGE OF ASSETS

As at 30 June 2017, the Group did not pledge any of its assets (30 June 2016: nil) as securities for the banking facilities granted to the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2017, the Group had 23 full-time employees (30 June 2016: 27 full-time employees), including the Directors. Total employee benefit expenses (including Directors' emoluments) were approximately HK\$4,361,000 for the three months ended 30 June 2017 as compared to approximately HK\$2,970,000 for the three months ended 30 June 2016. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme and medical benefit to its employees in Hong Kong. In addition, the Group adopted a share option scheme for eligible employees (including Directors) to provide incentives to participants for their contribution and continuing efforts to promote the interests of the Group.

OUTLOOK

We will continue to pursue our core business, the provision of corporate finance advisory services mainly to listed and non-listed companies in Hong Kong and the PRC and the dry bulk shipping business. For our corporate finance advisory segment, we will continue to enhance our professional knowledge to cope with the rapid changing capital market and regulatory environment in Hong Kong in order to maintain our professionalism in the corporate finance industry. We will continue to increase our exposure and improve our public awareness in the capital market to enhance our client base. For our dry bulk shipping business, we will continue to manage our business under asset-light operation model and we will further broaden our customer base. We will also actively explore other business opportunities to maximize shareholder's wealth and diversify business risk in future. We will continue to dedicate the best effort to lead the Group to strive for the best interests for the Company's shareholders.

OUTLOOK (CONTINUED)

The Company has conditionally adopted the share option scheme (the “Scheme”) on 21 September 2011 under which certain selected classes of participants (including, among others, full-time employees) may be granted options to subscribe for the Company’s shares. The principal terms of the Scheme are summarised in the paragraph headed “Share Option Scheme” in Appendix V to the prospectus of the Company dated 28 September 2011.

Details of the options granted under the Scheme, their movements during the three months ended 30 June 2017 and the options outstanding as at 30 June 2017 were as follows:

Participant	Options type	Date of grant	Exercise price per share <i>HK\$</i>	Fair value at grant date per share <i>HK\$</i>	Exercise period	Number of options					As at 30 June 2017 <i>'000</i>
						As at 1 April 2017 <i>'000</i>	Granted during the period <i>'000</i>	Exercised during the period <i>'000</i>	Cancelled during the period <i>'000</i>	Lapsed during the period <i>'000</i>	
Employees other than directors	2014	17/9/2014	0.68	0.13027	17/9/2014 – 16/9/2024	12,500	-	-	-	-	12,500
Consultant	2014	17/9/2014	0.68	0.13027	17/9/2014 – 16/9/2024	2,500	-	-	-	-	2,500
						15,000	-	-	-	-	15,000

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2017, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the Company

Name of Director and chief executive	Type of interests	Number of ordinary shares held	Number of underlying shares pursuant to share option	Approximate percentage of shareholding in the Company
Ms. Ho Chiu Ha Maisy (<i>Note 1</i>)	Beneficial owner	406,000,000	–	17.40%
	Interest of a controlled corporation	87,062,500	140,000,000	9.73%
Mr. Wong Kam Wah (<i>Note 2</i>)	Interest of a controlled corporation	70,000,000	–	3.00%
Ms. Man Wing Yee Ginny	Beneficial owner	440,040,000	–	18.86%
Mr. Wang Qiang	Beneficial owner	100,000,000	–	4.29%
Mr. Lau Ling Tak	Beneficial owner	43,937,500	–	1.88%

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (CONTINUED)

Long positions in the Company (Continued)

Note(s):

1. Ms. Ho Chiu Ha Maisy has a total interest in 633,062,500 shares/underlying shares (representing and aggregate of approximately 24.91% shareholding in the Company), of which (i) 87,062,500 shares were allotted to Refulgent Sunrise Limited, a company owned as to 36% by Ms. Ho Chiu Ha Maisy and it is an approximately 75% shareholder of Revenue Synthesis Limited, an associated corporation of the Company, As a result, Ms. Ho Chiu Ha Maisy is deemed to be interested in the approximately 75% shareholding in Revenue Synthesis Limited by virtue of the SFO; (ii) Ms. Ho Chiu Ha Maisy personal held 406,000,000 shares; and (iii) 140,000,000 shares relate to her derivative interests in convertible bonds through her shareholding in Refulgent Sunrise Limited. Details of which are disclosed in "Convertible Bonds" below.
2. These shares are registered in the name of Kate Glory Limited. Mr. Wong Kam Wah is the beneficial owner of 100% of the issued share capital of Kate Glory Limited. By virtue of the SFO, Mr. Wong Kam Wah is deemed to be interest in 70,000,000 shares held by Kate Glory Limited.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (CONTINUED)

Long positions in the Company (Continued)

Convertible bonds

Name of bondholder	Date of issue	Conversion period	Conversion price per share	Outstanding as at the Latest Practicable Date	Number of underlying shares	Approximate percentage of the issued share capital of the Company
Refulgent Sunrise Limited	5 December 2012	5 December 2012 – 4 December 2017	0.625	140,000,000	140,000,000	6.00%

Save as disclosed above, as at 30 June 2017, none of the Directors and chief executive of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2017, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any member of the Group were as follows:

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES (CONTINUED)

Long positions in the Company

Name of shareholders	Capacity	Number of ordinary shares held	Number of underlying shares held	Approximate percentage of shareholding in the Company
Ms. Man Wing Yee Ginny	Beneficial owner	440,040,000	–	18.86%
Ms. Ho Chiu Ha Maisy (<i>Note</i>)	Beneficial owner/interest of a controlled corporation	493,062,500	140,000,000	27.13%
Refulgent Sunrise Limited (<i>Note</i>)	Beneficial owner	87,062,500	140,000,000	9.73%
Ms. Li Zhaoxia	Beneficial owner	46,423,333	330,700,000	16.17%
Mr. Zhao Genlong	Beneficial owner	200,000,000	–	8.57%

Note:

Refulgent Sunrise Limited is a company incorporated in BVI with limited liabilities and is owned as to 36% by Ms. Ho Chiu Ha Maisy. As a result, Ms. Ho Chiu Ha Maisy and Mr. Tsang Yan are deemed to be interested in this shareholding through Refulgent Sunrise Limited by virtue of the SFO. Ms. Ho Chiu Ha Maisy personally held 406,000,000 shares.

Save as disclosed above, as at 30 June 2017, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who is directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any member of the Group.

DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the reporting period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the directors, their respective spouse or children under 18 years of age to acquire such rights in the Company or any other body corporate.

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

Neither the Company, nor any of its subsidiaries, has purchased, redeemed or sold any of the Company's listed shares during the three months ended 30 June 2017.

DIRECTOR'S INTERESTS IN COMPETING INTERESTS

During the three months ended 30 June 2017, none of the Directors, the management shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interest in a business which causes or may cause a significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with such required standard of dealings and its code of conduct regarding securities transactions by directors during the three months ended 30 June 2017.

CODE OF CORPORATE GOVERNANCE PRACTICES

During the period under review, the Company has fully complied with the code provisions as set out in Appendix 15 to the GEM Listing Rules.

AUDIT COMMITTEE

The Company set up an audit committee (the “Committee”) on 21 September 2011, with written terms of reference in compliance with the GEM Listing Rules, for the purpose of reviewing and providing supervision over the financial reporting process and internal control of the Group. The Committee comprises three independent non-executive Directors, namely Mr. Chiu Chi Kong, Mr. William Robert Majcher and Mr. Yau Yan Ming Raymond (as the Committee chairman) and an executive Director, Mr. Lau Ling Tak. The unaudited condensed consolidated first quarterly financial statements of the Group for the three months ended 30 June 2016 have not been audited by the Company’s auditors, but have been reviewed by the Committee, who is of the opinion that the first quarterly financial statements comply with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosures have been made.

By Order of the Board
Unitas Holdings Limited
Ho Chiu Ha Maisy
Chairlady

Hong Kong, 14 August 2017

As at the date of this report, the Company’s executive Directors are Ms. Ho Chiu Ha Maisy (Chairlady), Mr. Wong Kam Wah, Mr. Lau Ling Tak, Ms. Man Wing Yee Ginny, Mr. Leung Man Kit and Mr. Wang Qiang and the independent non-executive Directors are Mr. Chiu Chi Kong, Mr. William Robert Majcher and Mr. Yau Yan Ming Raymond.