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**Unity Investments Holdings Limited**

**合一投資控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 913)**

**SUBSCRIPTION OF NEW SHARES  
AND  
REFRESHMENT OF GENERAL MANDATE  
AND  
RESUMPTION OF TRADING**

On 29th October, 2007, the Company entered into the Subscription Agreement with the Subscriber pursuant to which the Company has conditionally agreed to an issue of 410,118,799 Subscription Shares to the Subscriber at a price of HK\$0.11 per Subscription Share.

The Subscription Shares represent (i) approximately 16.08% of the existing issued share capital of the Company of 2,550,593,997 Shares; (ii) approximately 13.85% of the Company's issued share capital as enlarged by the issue of the Subscription Shares. The net proceeds from the Subscription is approximately HK\$44.8 million will be used for general working capital of the Group.

The subscription price of HK\$0.11 per Share represents (i) a discount of approximately 11.29% to the closing price of HK\$0.124 per Share quoted on the Stock Exchange on the Last Trading Date (i.e. 29th October, 2007); (ii) a discount of approximately 10.57% to the average closing price of HK\$0.123 per Share as quoted on the Stock Exchange from 23rd October, 2007 to 29th October, 2007, both days inclusive, being the last five trading days of the Shares on the Stock Exchange prior to the release of this announcement; and (iii) a discount of approximately 6.78% to the average closing price of HK\$0.118 per Share as quoted on the Stock Exchange from 15th October, 2007 to 29th October, 2007, both days inclusive, being the last ten trading days of the Shares on the Stock Exchange prior to the release of this announcement. The subscription price of HK\$0.11 per Share represents approximately a discount of 36.05% to the net asset value per Share of HK\$0.172 as at 30th September, 2007.

The Subscription is conditional upon Stock Exchange granting listing of and permission to deal in the Subscription Shares.

The Company also proposes to seek a refreshment of the General Mandates. The relevant resolutions will be proposed at the EGM.

A circular containing further details of (i) the refreshment of General Mandates; (ii) the letter of recommendation from the Independent Board Committee on the refreshment of the Issue Mandate; (iii) the letter of recommendation from the independent financial adviser to the Independent Board Committee and Independent Shareholders on the refreshment of the Issue Mandate; and (iv) the notice of the EGM will be despatched to Shareholders as soon as practicable.

**Trading in the shares of the Company on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 30th October, 2007 pending release of this announcement. The Company has applied to the Stock Exchange for a resumption of trading in its shares with effect from 9:30 a.m. on 31st October, 2007.**

## **SUBSCRIPTION AGREEMENT**

**Date:** 29th October, 2007

**Parties:** (1) the Company

(2) the Subscriber, a third party independent of and not connected with the Company and the Connected Persons of the Company.

As at the date hereof, the Company holds approximately 5.6% of the issued share capital of the Willie. As at the date of this Announcement, the Subscriber did not hold any Shares in the Company. Upon completion of the Subscription, the Subscriber will hold 410,118,799 Shares representing approximately 13.85% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares (assuming there is no change in the issued share capital of the Company between the date of this announcement and the date of issue of the Subscription Shares). The Subscriber will not nominate any representatives to the board of directors of the Company as a result of the Subscription. The Subscriber did not have any transaction with the Company that would be required to be aggregated with the Subscription under Rule 14.22 of the Listing Rules. There is no relationship between the Group and the Subscriber, save as referred to above.

**Subscription price:**

The subscription price of HK\$0.11 per Share represents (i) a discount of approximately 11.29% to the closing price of HK\$0.124 per Share quoted on the Stock Exchange on the Last Trading Date (i.e. 29th October, 2007); (ii) a discount of approximately 10.57% to the average closing price of HK\$0.123 per Share as quoted on the Stock Exchange from 23rd October, 2007 to 29th October, 2007, both days inclusive, being the last five trading days of the Shares on the Stock Exchange prior to the release of this announcement; and (iii) a discount of approximately 6.78% to the average closing price of HK\$0.118 per Share as quoted on the Stock Exchange from 15th October, 2007 to 29th October, 2007, both days inclusive, being the last ten trading days of the Shares on the Stock Exchange prior to the release of this announcement. The subscription price of HK\$0.11 per Share represents approximately a discount of 36.05% to the net asset value per Share of HK\$0.172 as at 30th September, 2007.

**Ranking of the Subscription Shares:**

The Subscription Shares will on issue rank equally in all respects with the Shares.

**Number of Shares to be issued:**

The Subscription Shares represent (i) approximately 16.08% of the existing issued share capital of the Company of 2,550,593,997 Shares; (ii) approximately 13.85% of the Company's issued share capital as enlarged by the issue of the Subscription Shares. The net proceeds from the Subscription is approximately HK\$44.8 million will be used for general working capital of the Group. The aggregate nominal value of the Subscription Shares to be issued is HK\$41,011,879.90.

**Use of Proceeds:**

The gross proceeds from the Subscription referred to herein, estimated to be approximately HK\$45.1 million whereas the net proceeds from the Subscription shall be approximately HK\$44.8 million will be used for general working capital of the Group. The net price raised per Share will be about HK\$0.109 per Share. Expenses incurred in relation to the Subscription are legal, printing and other related costs and expected to be in the region of HK\$300,000.

**Subscription Condition:**

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

An application will be made to the Stock Exchange for the listing of and permission to deal in the Subscription Shares.

**Completion:**

The Subscription is to be completed on the second business day after satisfaction of the Subscription Condition or such other date as the parties may agree. The Subscription Agreement will lapse if the Subscription Condition is not satisfied by 30th November, 2007, unless the parties agree otherwise.

**Reason for the Subscription:**

The Company is an investment company under Chapter 21 of the Listing Rules and its business is primarily the making of investments. It is important for the Company to have readily available cash to make investments as and when opportunities arise. Funds raised pursuant to the recent fund raising exercises described above have been fully utilised as intended. The Company is continually seeking investment opportunities, as part of its ordinary and usual course of business. In view of the current robust market conditions and a positive future outlook for the stock market, the Directors (including the independent non-executive Directors) consider that withstanding the dilutive effect as a result of the recent fund raising events as mentioned above, the Subscription represents an opportunity to raise capital for the Company to equip the Company with sufficient resources to make investments as and when an opportunities arise. The Company dose not have any identified investment targets at present.

The Shares have been trading at below the Company's net asset value since June 2007. The Subscription would not be attractive to any investor if it was priced close to the Company's net asset value which is significantly above the recently traded price of the Shares. The Directors consider that the determination of the Subscription Price (which was done on arm's length basis) by reference to the recently traded market price to be fair and reasonable. Accordingly, the Directors (including the independent non-executive Directors) have taken into account the recent fund raising activities mentioned above and the dilutive effect of such transactions consider that the terms and conditions of the Subscription are fair and reasonable and the Subscription is in the interest of the Company and its Shareholders as a whole.

## Effect on Shareholding Structure

The existing and enlarged shareholding structure of the Company immediately before and after the issue of the Subscription Shares are set out below (assuming there is no change in the issued share capital of the Company between the date of this announcement and the date of issue of the Subscription Shares):–

Name of Shareholders	No. of Shares held at the date of this announcement	Percentage of entire issued share capital of the Company at the date of this announcement	No. of Shares held immediately after the Subscription	Percentage of entire issued share capital of the Company immediately after the Subscription
Radford Capital Investment Limited ( <i>Note 1</i> )	154,690,309	6.06%	154,690,309	5.23%
Heritage International Holdings Limited ( <i>Note 2</i> )	199,928,000	7.84%	199,928,000	6.75%
The Subscriber	0	0%	410,118,799	13.85%
OTHER PUBLIC SHAREHOLDERS	2,195,975,688	86.10%	2,195,975,688	74.17%
	<u>2,550,593,997</u>	<u>100%</u>	<u>2,960,712,796</u>	<u>100%</u>

*Note 1:* Radford Capital Investment Limited (Stock code: 901), a company listed on the Stock Exchange, is interested in the share capital of the Company indirectly through its wholly-owned subsidiary, Winning Horse Limited.

*Note 2:* Heritage International Holdings Limited (Stock code: 412), a company listed on the Stock Exchange, is interested in the share capital of the Company indirectly through its wholly-owned subsidiary, Coupeville Limited, and its indirect wholly-owned subsidiary, Dollar Group Limited, a direct wholly-owned subsidiary of Coupeville Limited.

*Note 3:* There are no outstanding options granted under the Company's share option scheme and no convertible securities issued by the Company as at the date hereof.

## Fund Raising Activities in the last 12 months

The table below summarises the capital raising activities of the Group in the 12 months immediately before the date of this announcement.

<b>Date of announcement</b>	<b>Event</b>	<b>Net Proceeds (approximately)</b>	<b>Intended use of proceeds</b>	<b>Actual use of net proceeds as at the date hereof</b>
12 March 2007	Rights Issue of 1,194,991,160 rights shares on the basis of ten right shares for every existing share	HK\$116 million	Investment in equity pursuant to the investment objectives adopted by the Company	Used as intended
4 June 2007	Placing of 262,898,055 new Shares	HK\$68.7 million	General working capital	Used as intended
12 July 2007	Placing of 341,765,666 new Shares	HK\$66.4 million	General working capital	Used as intended
19 July 2007	Subscription of 500,000,000 new Shares	HK\$69.7 million	50 millions for debt repayment and 19.7 million for general working capital	Used as intended

Save as disclosed above, the Company did not engage in any fund raising activity in the 12 months period prior to the issue of this announcement.

## **REFRESHMENT OF GENERAL MANDATE**

At the Company's extraordinary general meeting held on 27th August, 2007, shareholders granted a mandate to Directors to issue and allot up to 410,118,799 Shares, representing approximately 16.08% of the existing issued share capital of the Company of 2,550,593,997 Shares. Such mandate has not been used and the Subscription Shares, representing approximately 13.85% of the Company's issued share capital as enlarged by the issue of the Subscription Shares, will be issued pursuant to such mandate. As a result of the completion of the Subscription and issue and allotment of the Subscription Shares such mandate will be fully utilised.

The Company wish to seek approval of Shareholders at the EGM to refresh the General Mandates in order to allow the flexibility for future business development and/or fund raising. Based on the issued share capital of the Company as at the date hereof of 2,550,593,997 Shares and assuming there is no change in the issued share capital until the date of the EGM and assuming that the issue and allotment of 410,118,799 new Shares pursuant to completion of the Subscription takes place before the EGM, the Issue Mandate will allow the Directors to issue and allot up to 592,142,559 new Shares. The Subscription is likely to take place as soon as the Subscription Condition is satisfied which the Company expects to be in around one week's time. However, allowing for time for preparation, clearance and despatch of the circular to shareholders and the notice period to announce the EGM, the EGM is expected to be held in around 5 weeks' time. Accordingly, the Company expects the Subscription to take place before the EGM. If completion of the Subscription does not take place before the EGM, the Issue Mandate proposed at the EGM will allow Directors to issue and allot up to 510,118,799 Shares, based on the issued share capital of the Company as at the date hereof of 2,550,593,997 Shares and assuming there is no change in the issued share capital until the date of the EGM. The Issue Mandate is proposed to the Shareholders prior to the Company's next annual general meeting, and therefore, pursuant to Rule 13.36(4) of the Listing Rules, the Issue Mandate will be subject to the Independent Shareholders' approval by way of poll at the EGM. The Company does not have any controlling shareholder and the Directors do not hold any Shares as at the date hereof. On the basis, no shareholder is required to abstain from voting in favour of the Issue Mandate at the EGM. The Directors (excluding the independent non-executive directors) and their Associates to the extent they hold Shares, shall abstain from voting in favour of the relevant resolutions in relation to refreshment of the Issue Mandate at the EGM pursuant to the Listing Rules.

The Company will form an Independent Board Committee comprising the independent non-executive Directors and appoint an independent financial adviser to advise the Independent Board Committee and Independent Shareholders on the Issue Mandate pursuant to Rule 13.36(4) of the Listing Rules.

## **GENERAL**

A circular containing further details of (i) the refreshment of General Mandates; (ii) the letter of recommendation from the Independent Board Committee on the refreshment of the Issue Mandate; (iii) the letter of recommendation from the independent financial adviser to the Independent Board Committee and Independent Shareholders on the refreshment of the Issue Mandate; and (iv) the notice of the EGM will be despatched to Shareholders as soon as practicable in compliance with the Listing Rules.

At the time of issuing the announcement of the Company in relation to its unusual movements in price or trading volume of its shares dated 24th and 25th October, 2007, negotiation in relation to the Subscription had not commenced. Negotiations in relation to the Subscription commenced on 29th October, 2007 which resulted in the signing of the Subscription Agreement after trading hours on 29th October, 2007.

Trading in the shares of the Company on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 30th October, 2007 pending release of this announcement. The Company has applied to the Stock Exchange for a resumption of trading in its shares with effect from 9:30 a.m. on 31st October, 2007.

## **DEFINITIONS**

The following terms are used in this announcement within the meanings set out below:–

“Associates”	has the meanings ascribed to it in the Listing Rules;
“Company”	Unity Investments Holdings Limited, a company incorporated in the Cayman Islands, whose shares are listed on the Stock Exchange;
“Connected Persons”	has the meaning ascribed thereto in the Listing Rules;



“Directors”	the directors of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened to approve refreshment of the General Mandates;
“General Mandates”	the Issue Mandate and Repurchase Mandate;
“Group”	the Company and its subsidiaries;
“Independent Board Committee”	the independent committee of the Board established by the independent non-executive Directors of the Company to advise the Independent Shareholders in respect of the Issue Mandate;
“Independent Shareholders”	any Shareholders other than controlling Shareholders of the Company and their Associates or, where there are no controlling Shareholders, any Shareholders other than Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective Associates;
“Issue Mandate”	the mandate proposed to be sought at the EGM to authorise the Directors to allot, issue and deal with Shares not exceeding 20% of the issued capital of the Company on the date of the EGM and to extend the issue mandate to include the Shares repurchased under the Repurchase Mandate;
“Last Trading Date”	29th October, 2007, being the last day of trading in the Shares on the Stock Exchange prior to the release of this announcement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Repurchase Mandate”	the mandate proposed to be sought at the EGM to authorise the Directors to purchase not exceeding 10% of the issued share capital of the Company on the date of the EGM;
“Shareholders”	shareholders of the Company;

“Shares”	ordinary shares of a par value of HK\$0.10 each in the Company;
“Shareholders”	holders of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscriber”	Pearl Decade Limited, a wholly owned subsidiary of Willie;
“Subscription”	the subscription of the Subscription Shares by the Subscriber under the terms of the Subscription Agreement;
“Subscription Agreement”	an agreement dated 29th October, 2007 between the Company and the Subscriber in relation to the Subscription of the Subscription Shares;
“Subscription Condition”	the condition for the Subscription as described in the section headed “ Subscription Condition” above;
“Subscription Shares”	410,118,799 new Shares in the Company to be issued to the Subscriber under the Subscription Agreement; and
“Willie”	Willie International Holdings Limited, a company incorporated in Hong Kong whose shares are listed on the Stock Exchange (Stock Code 273).

*As at the date of this announcement, the Executive Directors of the Company are Mr. CHUNG Wilson (Chairman), Mr. KITCHELL Osman Bin (Chief Executive Officer) and Ms. CHOI Ka Wing; and the Independent Non-executive Directors of the Company are Mr. CHUNG Kong Fei, Stephen, Mr. TSANG Wing Ki and Mr. CHEN Henri Wei Hwa.*

By order of the Board of  
**Unity Investments Holdings Limited**  
**CHUNG Wilson**  
*Chairman and Executive Director*

Hong Kong, 30th October, 2007