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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)

**PLACING OF NEW SHARES
AND
RESUMPTION OF TRADING**

PLACING AGENT



h e n n a b u n

Chung Nam Securities Limited

Placing of New Shares

On 2 May 2006, the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of the Placing Shares. Pursuant to the Placing Agreement, the Company has conditionally agreed to place, through the Placing Agent on a best-effort basis, 145,000,000 Placing Shares with an aggregate nominal value of HK\$1,450,000 at the Placing Price of HK\$0.2 per Placing Share.

The Placing Shares represent about 14.84% of the existing issued share capital of the Company of 977,291,163 Shares and about 12.92% of the issued share capital of the Company of 1,122,291,163 Shares as enlarged by the Placing.

The Placing Price represents (i) a discount of approximately 15.97% to the closing price of HK\$0.238 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of about 13.94% to the average closing price per Share of about HK\$0.2324 as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Date; (iii) a discount of about 12.59% to the average closing price per Share of about HK\$0.2288 as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Date; and (iv) a discount of about 28.57% to the unaudited net asset value per Share of HK\$0.28 as at 31 March 2006.

The Placing is conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares and the Company obtaining all consents and approvals from the relevant authorities in respect of the transactions contemplated under the Placing Agreement, if applicable. Please refer to the section headed "Conditions Precedent of the Placing Agreement" for details.

The net proceeds from the Placing will be approximately HK\$28.13 million. Depending on market conditions and availability of investment opportunities, the Board intends to apply approximately HK\$22.5 million for investment purpose and approximately HK\$5.63 million as general working capital.

Trading in the Shares has been suspended at the request of the Company with effect from 9:30 a.m. on 3 May 2006 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 8 May 2006.

I. THE PLACING AGREEMENT

Date:

2 May 2006

Issuer

Unity Investments Holdings Limited

Placing Agent

The Placing Agent has conditionally agreed with the Company to place, on a best-effort basis, to not fewer than six independent individuals, corporate and/or institutional placees for the Placing Shares. The Placing Agent will receive a placing commission of 2.5% on the gross proceeds of the placing of the Placing Shares, which was arrived at after arm's length negotiations between the Company and the Placing Agent.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Placing Agent and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

Placees

No fewer than six Placees which will be independent individuals, corporate and/or institutional investors, and who and whose ultimate beneficial owners will not be connected person(s) of the Company and will be third parties independent of and not connected with the Company, connected persons of the Company and any of the directors, chief executive or substantial shareholder(s) of the Company or any of its subsidiaries or their respective associates. No Placees will become substantial shareholders (as defined in the Listing Rules) of the Company as a result of the Placing.

Placing Shares

The New Shares represent (i) approximately 14.84% of the existing issued share capital of the Company of 977,291,163 Shares as at the date of this announcement; and (ii) about 12.92% of the issued share capital of the Company of 1,122,291,163 Shares as enlarged by the Placing.

The Placing Shares 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\$0.2 represents (i) a discount of approximately 15.97% to the closing price of HK\$0.238 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of about 13.94% over the average closing price per Share of about HK\$0.2324 as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Date; (iii) a discount of about 12.59% to the average closing price per Share of about HK\$0.2288 as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Date; and (iv) a discount of about 28.57% to the unaudited net asset value per Share of HK\$0.28 as at 31 March 2006. The net Placing Price per Share is approximately HK\$0.194.

The 28.57% discount to the Group's net asset value is acceptable to the Company as such discount represents the lowest range of discount to the Group's net asset value per Share brought about by previous fund raising activities carried out by the Company since its incorporation which ranged from 33.33% to 95.24% discount. Besides, since the trading volume of the Shares has been relatively thin, this would attract potential investors to participate into the Placing. The Board believes that some of the investment projects the feasibility of which the Company is studying and to which the placing proceeds may be applied may make positive contribution to the net asset value to the extent that the contribution would offset the short term dilutive effect on the net asset value per Share brought about by the Placing. As such, the 28.57% discount to the Group's net asset value is acceptable to the Company.

The Placing Price was negotiated on an arm's length basis between the Company and the Placing Agent with reference to the recent fund raising exercises of the Company and the prevailing market conditions. The Board, including the independent non-executive Directors, also considers that the terms of the Placing Agreement, including (i) the Placing Price and (ii) the placing commission (which was determined at the prevailing market rate of placing commission), are fair and reasonable and in the interests of the Company and its Shareholders as a whole. Through the Placing, the Company can broaden its capital and shareholders base without any interest burden.

Conditions Precedent of the Placing Agreement

The Placing is conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares, the Company obtaining all consents and approvals from the relevant authorities in respect of the transactions contemplated under the Placing Agreement, if applicable.

If the above conditions precedent of the Placing Agreement are not fulfilled on or prior to 18 May 2006, the Placing Agreement shall terminate and neither of the parties thereto shall have any claim against the other for costs, damages, compensation or otherwise save as provided in the Placing Agreement. In the event that the Placing Agreement is terminated, a further announcement will be issued by the Company.

Completion of the Placing

Completion of the Placing Agreement is expected to take place on or before one Business Day upon the fulfillment of the conditions precedent of the Placing Agreement or such other time or date as the Company and the Placing Agent shall agree in writing.

Refreshed general mandate

The Placing Shares will be issued under the refreshed general mandate to allot, issue and deal with 145,458,232 Shares (representing 20% of the issued share capital of the Company as at 26 January 2006) granted to the Board by resolution of the Shareholders at an extraordinary general meeting of the Company held on 26 January 2006. The Company confirmed that such refreshed general mandate has not been utilized as at the date of the Placing Agreement. Upon completion of the Placing, the remaining refreshed general mandate will comprise 458,232 Shares.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares to be issued pursuant to the Placing.

Use of net proceeds

The net proceeds from the Placing will be approximately HK\$28.13 million and the gross proceeds from the Placing will be approximately HK\$29 million. Expenses of the Placing (including the printing charges, placing commission and professional fees) will be approximately HK\$870,000. Depending on market conditions and availability of investment opportunities, the Board intends to apply approximately HK\$28.13 million for investment and working capital. As at the date of this announcement, the Board intends to apply approximately HK\$22.5 million for investment purpose and approximately HK\$5.63 million as general working capital.

Reason for the Placing

The timing and the size of the Placing were determined after arm's length negotiation between the Board and the Placing Agent taking into account of the prevailing optimistic stock markets and economic conditions in Hong Kong and the PRC. Given an anticipated slowdown in the increase global interest rates and the official approval and implementation of Qualified Domestic Institutional Investor ("QDII") scheme, which allows China's Social Security Fund to invest in Hong Kong and other markets, have underpinned overall market sentiment, and led to more investment opportunities, thus, the Board considers that the timing of the Placing is appropriate.

Although the Company does not have any imminent funding urgency as at the date of this announcement, the Board intends to apply approximately HK\$22.5 million for investment purpose and approximately HK\$5.63 million as general working capital. The Group has been working on diversification by adding new investment items into its investment portfolio. As at the date of this announcement, the Board has not yet identified any specific investment for such purpose, however, the Board has been performing feasibility studies on some investment projects in relation to acquisition of equity interests in companies the operation of which are located out of Hong Kong. Should the Board fail to identify the relevant investment upon completion of the Placing, such Placing proceeds can be deposited by the Company with commercial banks and/or financial institutions generating additional cash flow for the Company. With respect to the fact that the Placing Price has been fixed at a rate which was 42.86% above the price of the previous placing of Shares (in the placing of shares proposed by the Company on 7 December 2005, the placing price was HK\$0.14 per share), the Board is of the view that the Placing Price is more favourable to the Company than that in the previous deals. Besides, Share prices of the Company had traded below HK\$0.2 before April this year. Thus, the Board believes that the Placing with the Placing Price of HK\$0.2 represents a good opportunity for the Company to raise fund. Moreover, the Board believes that some of the investment projects the feasibility of which the Company is studying and to which the placing proceeds may be applied may make positive contribution to the net asset value to the extent that the contribution would offset the short term dilutive effect on the net asset value per Share brought about by the Placing. As such, the Board, including the independent non-executive Directors, is of the view that the terms of the Placing Agreement and the transactions contemplated therein are fair and reasonable and it is in the interests of the Company and its Shareholders as a whole to enter into the Placing Agreement. The Board may consider any future opportunities for further fund raising should the terms and conditions of which are beneficial to the Company and its Shareholders as a whole.

It has always been the Board's preference to raise capital through equity financing instead of debt financing as the former could broaden the shareholder base of the Company without creating any interest burden on the Company. From time to time, in the ordinary course of business of the Company, the Company has obtained margin financing and short-term debts from financial institutions to facilitate its equity trading and investment given the high volatility in the investment market. Notwithstanding the above, the Board would also have to consider the cost of fund raising involved when determining the appropriate method of fund raising as at the relevant time. In light of the above, the Board considers that the Placing is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Effect on shareholding structure

The shareholding structure of the Company before and after the Placing are set out as below:

	Existing shareholding structure of the Company prior to completion of the Placing		Shareholding structure of the Company immediately after completion of the Placing	
	Number of Shares held	% of issued Shares held (approximately)	Number of Shares held	% of issued Shares held (approximately)
Radford Capital Investment Limited (notes 1&4)	103,930,000	10.63	—	—
Mr. Wong Man Hon, Frederick (note 4)	87,590,000	8.96	87,590,000	7.80
Public shareholders				
- Radford Capital Investment Limited (notes 1&4)	—	—	103,930,000	9.26
- Heritage International Holdings Limited (notes 2&4)	68,000,000	6.96	68,000,000	6.06
- Placees	0	0	145,000,000	12.92
- Other Public shareholders (note 5)	717,771,163	73.45	717,771,163	63.96
	<u>785,771,163</u>	<u>80.41</u>	<u>1,034,701,163</u>	<u>92.20</u>
Total (note 3)	<u>977,291,163</u>	<u>100.00</u>	<u>1,122,291,163</u>	<u>100.00</u>

Notes:

- Radford Capital Investment Limited (stock code: 901) is a company listed on the main board of the Stock Exchange and is interested in the share capital of the Company indirectly through its wholly-owned subsidiary, Winning Horse Limited. As at the date of this announcement, the Company is holding 38,888,000 shares in the issued share capital of Radford Capital Investment Limited, representing 6.2% of the issued share capital of Radford Capital Investment Limited. To the best of the Directors' knowledge as at the date of this announcement, Radford Capital Investment Limited does not have any shareholding interest in the capital of Heritage International Holdings Limited.
- Heritage International Holdings Limited (stock code: 412) is a company listed on the main board of the Stock Exchange and 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. As at the date of this announcement, the Company is holding 44,000,000 shares in the issued capital of Heritage International Holdings Limited, representing 0.65% of the issued share capital of Heritage International Holdings Limited. To the best of the Directors' knowledge as at the date of this announcement, Heritage International Holdings Limited is interested in 32,110,000 shares in the capital of Radford Capital Investment Limited (representing approximately 5.14% of the issued share capital of Radford Capital Investment Limited) through its wholly-owned subsidiary, Coupeville Limited.
- To the best of the Directors' knowledge, information and belief, no person or persons who are acting as a group entitled to exercise or control the exercise of 30% or more of the voting power at the general meeting of the Company or who is/are in a position to control the composition of the majority of the Board.
- Save as disclosed in the announcement, to the best of the Directors' knowledge, information and belief, each of Radford Capital Investment Limited, Heritage International Holdings Limited and Mr. Wong Man Hon, Frederick is independent of each other. As at the date of this announcement, Mr. Wong Man Hon, Frederick does not have any shareholding interest or hold any position in Radford Capital Investment Limited and Heritage International Holdings Limited. Mr. Wong Man Hon, Frederick is an executive director of the Company and the appointment date is 24 January 2006.

5. The Company will be able to maintain 25% public float after completion of the Placing.
6. To the best of the Directors' knowledge, save as disclosed above, there is no other cross-shareholding / business relationship (other than the normal course of businesses) among Radford Capital Investment Limited, Heritage International Holdings Limited and Mr. Wong Man Hon Frederick, the Placing Agent and the placees.

Fund raising activity of the Company in the 12 months immediately preceding the date of this announcement

Description	Announcement date	Net Amount raised	Date of general mandates /specific mandate granted	Intended use of proceeds as announced	Actual use of proceeds
Placing of Shares	20 May 2005	HK\$3.44 million	Refreshed General mandate - 25 April 2005 Originally unused: 87,979,601 Shares Used: (note) and 87,978,000 Shares Balance 1,601 Shares	Repayment of outstanding interest - bearing borrowings general working capital	Fully utilized as intended by applying HK\$3 million to repay short-term working capital loan from financial institutions with an interest rate of 12% p.a., and HK\$0.44 million as administrative expenses
Placing of Convertible Notes	20 May 2005	HK\$19.6 million	Specific mandate (fully utilised) - 30 June 2005	Approximately HK\$18 million to repay the outstanding interest-bearing borrowings (note) and the balance as general working capital	Fully utilized as intended by applying approximately HK\$18.7 million to repay short-term working capital loan from financial institutions with an average interest rate of 8% p.a. and approximately HK\$0.9 million as working capital
Rights Issue	26 July 2005	HK\$50.3 million	Specific mandate (fully utilised) - 7 October 2005	Approximately HK\$5 million used as the Group's working capital and HK\$45.3 million for the possible investments	Fully utilized by applying approximately HK\$6.5 million to repay short-term working capital loan from financial institutions with an average interest rate of 8% p.a.; approximately HK\$42.5 million to purchase equity and convertible notes issued by companies listed on the Stock Exchange; and approximately HK\$1.3 million to settle professional fees accrued. The deviation of using the additional HK\$2.8 million as general working capital was due to the lapse of more than 3 months from the date of the announcement and the date of actual receipt of the proceeds and the fall of the Hang Seng Index from higher than 15,000 in September 2005 to about 14,300 in November 2005 (representing a drop of about 5% in Hang Seng Index) which led to a change in the Company's investment portfolio.

Description	Announcement date	Net Amount raised	Date of general mandates /specific mandate granted	Intended use of proceeds as announced	Actual use of proceeds
Placing of Shares	7 December 2005	HK\$34.30 million	Specific mandate - (fully utilised) - 26 January 2006	Approximately HK\$18 million to repay the margin loan and approximately HK\$16 million for investment and working capital	Fully utilized as intended by applying approximately HK\$22 million to repay the margin loan with the balance for investment and working capital. The 2.2% deviation in the repayment of margin loan was due to the change in the Group's portfolio in view of the volatility of market condition during the period.

Note: The borrowings were for investment purposes.

Save as disclosed above, the Company did not engage in other fund raising activities in the last 12 months.

II. GENERAL

The Group is an investment holding company listed pursuant to Chapter 21 of the Listing Rules and principally engaged in investment in listed and unlisted companies in Hong Kong and in the PRC.

The Board considers that the terms of the Placing Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Trading in the Shares has been suspended at the request of the Company with effect from 9:30 a.m. on 3 May 2006 pending the release of this announcement. Application has been made to the Stock Exchange for a resumption of trading in the Shares with effect from 9:30 a.m. on 8 May 2006.

Terms and definitions

“associates”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding Saturday or Sunday) on which commercial banks are generally open for normal banking business in Hong Kong
“Company”	Unity Investments Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries

“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Date”	28 April 2006
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placing”	the placing of Placing Shares pursuant to the terms of the Placing Agreement
“Placing Agent”	Chung Nam Securities Limited, a corporation licensed by the Securities and Future Commission of Hong Kong to conduct Type 1 (dealing in securities), under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the placing agreement dated 2 May 2006 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.20 per Placing Share
“Placing Shares”	an aggregate of up to 145,000,000 Shares to be placed pursuant to the terms of the Placing Agreement
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board of
Unity Investments Holdings Limited
合一投資控股有限公司
Kitchell, Osman Bin
Chief Executive Officer and Executive Director

Hong Kong, 4 May 2006

As at the date of this announcement, the Board comprises Mr. Kitchell, Osman Bin, Dr. Pang Shuen Wai, Nichols and Mr. Wong Man Hon, Frederick as executive Directors; Mr. Lam Ping Cheung, Mr. Chung Kong Fei, Stephen and Mr. Tsang Wing Ki as independent non-executive Directors.