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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)

PROPOSED CAPITAL REORGANISATION AND CHANGE IN BOARD LOT SIZE AND APPOINTMENT OF EXECUTIVE DIRECTOR

The Company proposes to put forward to its Shareholders the following proposals that:

- (1) the nominal value of all the issued Existing Shares be reduced from HK\$0.10 each to HK\$0.01 each by cancelling HK\$0.09 paid up on each issued Existing Share by way of a reduction of capital;
- (2) every 10 issued Reduced Shares of HK\$0.01 each be consolidated into one Consolidated Share of HK\$0.10; and
- (3) the credit arising from such reduction will be applied towards cancelling the accumulated deficit of the Company in the amount of approximately HK\$11.4 million as shown in the unaudited financial statements of the Company as at 30 June, 2006 and the balance will be transferred to the contributed surplus account of the Company.

A circular containing further details on the Capital Reorganisation together with a notice of the EGM, will be despatched to the Shareholders as soon as practicable.

PROPOSED CAPITAL REORGANISATION

It is proposed that:

- (i) the nominal value of all the issued Existing Share be reduced from HK\$0.10 each to HK\$0.01 each by cancelling HK\$0.09 paid up on each issued Existing Share by way of a reduction of capital;
- (ii) every 10 issued Reduced Shares of HK\$0.01 each be consolidated into one Adjusted Share of HK\$0.10; and
- (iii) the credit arising from such reduction will be applied towards cancelling the accumulated deficit of the Company in the amount of approximately HK\$11.4 million as shown in the unaudited financial statements of the Company as at 30 June, 2006 and the balance will be transferred to the contributed surplus account of the Company.

The Capital Reorganisation (which will be effected in accordance with the Articles of Association of the Company and the Companies Law) is conditional upon:

- (i) the passing of a special resolution to approve the Capital Reorganisation by Shareholders at the Extraordinary General Meeting;
- (ii) sanction of the Adjustment Proposal by the Court to the extent required by the Companies Law;
- (iii) compliance with any conditions imposed by the Court; and
- (iv) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Adjusted Shares in issue upon the Capital Reorganisation becoming effective.

No shareholder is required to abstain from voting on the Capital Reorganisation at the Extraordinary General Meeting.

An expected timetable for the Capital Reorganisation will be included in the circular to be despatched to Shareholders.

The Company has no outstanding options, warrants or other securities convertible into or giving rights to subscribe for the Existing Shares.

The share capital of the Company consists of 1,122,291,163 Existing Shares in issue and the aggregate nominal value of the issued share capital of the Company is approximately HK\$112.2 million. On the basis of 1,122,291,163 Existing Shares in issue as at the date of this announcement (assuming no shares are issued from the date hereof until the effective date of the Capital Reorganisation), a total credit of approximately HK\$101 million will arise in the books of the Company as a result of the Adjustment Proposal which will be applied as mentioned in the following paragraph.

After the Capital Reorganisation, the authorised share capital of the Company will become HK\$500,000,000 comprising of 5,000,000,000 Adjusted Shares of HK\$0.10 each, of which 112,229,116 Adjusted Shares will be in issue and the aggregate nominal value of the issued share capital of the Company will become approximately HK\$11,223,000 (assuming no shares are issued from the date hereof until the effective date of the Capital Reorganisation). Assuming the Capital Reorganisation is implemented and based on the figures set out in the unaudited financial statements as at 30 June, 2006, upon completion of the Capital Reorganisation, the accumulated deficit of the Company will be fully eliminated and the balance of approximately HK\$89.6 million will be transferred to the contributed surplus account of the Company.

Fractional Adjusted Shares will not be issued to the Shareholders but will be aggregated and, if possible, sold for the benefit of the Company.

In order to alleviate the difficulties arising from the existence of odd lots of Adjusted Shares, the Company has agreed to procure an arrangement with an agent to stand in the market to provide matching services for the odd lots of Adjusted Shares on a best effort basis. Details of such arrangements will be provided in a further announcement to be made by the Company.

Effect of the Capital Reorganisation

Implementation of the Capital Reorganisation would not, of itself, alter the underlying assets, liabilities, businesses, management or financial position of the Company and the Group or the rights of the Shareholders, except for payment of the related expenses and any fractional Adjusted Shares to which Shareholders may be entitled.

The Adjusted Shares will rank pari passu in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders.

Free exchange of Adjusted Share certificates and trading arrangements

Subject to the Capital Reorganisation, Shareholders may, during a period to be specified in a further announcement to be made by the Company, submit certificates for existing Shares to the Company's registrar for exchange, at the expense of the Company, for certificates for Adjusted Shares. Thereafter, certificates for existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be allowed by the Stock Exchange) for each new certificate issued for Adjusted Shares. Nevertheless, certificates for Existing Shares will continue to be good evidence of legal title and may be exchanged for certificates for Adjusted Shares at any time at the expense of the Shareholders in question. A further announcement will be made as and when appropriate in relation to the effective date of the arrangements for exchange of share certificates and the arrangements relating to trading and dealings in the Adjusted Shares.

Reasons

With a view to facilitating any capital raising exercise when circumstances arise in the future, the Directors propose the Capital Reorganisation which allows flexibility for the issue of new shares in future if the Directors consider that is appropriate. In addition, the Directors believe that in the light of the accumulated losses of the Company as set out in the unaudited financial statements as at 30 June, 2006, it would be in the Company's interests to apply any credit arising from the capital reduction to eliminate such accumulated losses, as this would restore the Company's capability to declare dividends in the future.

With the change in board lot size, the market value for each board lot upon the Capital Reorganisation becoming effective will be higher than the market value for an existing board lot. The transaction cost per dollar value for each Existing Share will therefore be lower.

Timing

The Capital Reorganisation will become effective upon the Court's approval, which is expected to take approximately 4 to 6 months from the date hereof.

CHANGE OF BOARD LOT SIZE

At present, Existing Shares are traded in board lots of 20,000. The Board will change the board lot size for trading of the Consolidated Shares to 4,000 upon the Capital Reorganisation becoming effective.

Based on the closing price of Existing Shares of HK0.057 as at the date hereof and the existing board lot size of 20,000 Existing Shares, the prevailing board lot value is HK\$1,140. On the basis of the aforesaid closing price and the new board lot size of 4,000 Consolidated Shares, the new board lot value would be HK\$2,280.

GENERAL

The Company is engaged in the business of investments in listed and unlisted companies.

A circular containing details of the Capital Reorganisation and a notice convening the EGM to approve the Capital Reorganisation, will be despatched to Shareholders as soon as practicable.

APPOINTMENT OF EXECUTIVE DIRECTOR

The Board of Directors (the “Board”) of Unity Investments Holdings Limited (the “Company”) is pleased to announce that Ms. CHOI Ka Wing (“Ms. CHOI”) has been appointed as Executive Director of the Company with effect from 9 October 2006 (the “Appointment”).

Ms. CHOI, aged 24, joined the Company in 2005 as General Affairs Manager and is responsible for the day to day operational management and administration of the Company. She was also responsible for the promotion of the image of the Company as well as liaison with institution investors and major clients of the Company. Prior to joining the Company, Ms. CHOI had had extensive experience in the food and beverage and entertainment businesses. Ms. CHOI completed her high school education in Hong Kong prior to furthering her education at Perth Institute of Business and Technology in Perth, Australia. She had not yet received her final degree from the Institute.

The Board is informed by Ms. CHOI that she holds 11,080,000 shares of the Company as at the date of the Appointment, representing approximately 1% of the existing issued share capital of the Company which is required to be disclosed under Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Ms. CHOI:

- (i) did not hold any directorships in other listed public companies in the past three years;
- (ii) has not entered into any written service contract with the Company and her emoluments have not been fixed as at the date hereof. A further announcement will be made when the emoluments are fixed as to the amount and basis of determination of the emoluments;
- (iii) will hold office until the forthcoming annual general meeting of the Company after her appointment and will be eligible for re-election at that meeting and is thereafter subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company; and
- (iv) is not connected with any directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

There are no matters that need to be brought to the attention of shareholders in relation to Ms. CHOI’s appointment.

There is no information to be disclosed pursuant to the requirements of the Rule 13.51(2)(h) to (v) of the Listing Rules relating to the appointment of Ms. CHOI as a Executive Director of the Company.

DEFINITIONS

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| “Adjusted Shares” | shares of HK\$0.10 each in the capital of the Company upon the Capital Reorganisation becoming effective |
| “Adjustment Proposal” | the proposal to be put forward to Shareholders for the reduction in nominal value of the Existing Shares by way of a reduction in capital and the application of the credit arising from the capital reduction as described in the section headed “The Capital Reorganisation” in this announcement |

“Capital Reorganisation”	the Adjustment Proposal and the Share Consolidation as described in the section headed “Capital Reorganisation” in this announcement
“Companies Law”	The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Unity Investments Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange of Hong Kong Limited
“Court”	the Grand Court of the Cayman Islands
“Directors”	directors of the Company
“EGM”	an extraordinary general meeting of the Company to be convened as soon as practicable to consider the Capital Reorganisation proposal referred to in this announcement
“Existing Share(s)”	existing ordinary share(s) of HK\$0.10 each in the capital of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Reduced Shares(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company in issue upon completion of the Adjustment Proposal
“Share Consolidation”	the proposed consolidation of every 10 Reduced Shares of HK\$0.01 each into one Adjusted Share of HK\$0.10 each
“Shareholder(s)”	holder(s) of the Existing Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

As at the date of this announcement, the Executive Directors of the Company are Mr. CHUNG Wilson, Mr. KITCHELL Osman Bin and Ms. CHOI Ka Wing; the Non-executive Director of the Company is Mr. WONG Man Hon, Frederick; 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, 9 October, 2006