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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 RESUMPTION OF TRADING**

### **SUBSCRIPTION OF NEW SHARES**

On 18 July, 2007 after trading hours, the Company entered into the Subscription Agreement with Ms. LO pursuant to which the Company has conditionally agreed to an issue of 500,000,000 Subscription Shares to Ms. LO at a price of HK\$0.192 per Subscription Share.

The Subscription Shares represent (i) approximately 29.26% of the existing issued share capital of the Company of 1,708,828,331 Shares; (ii) approximately 24.38% of the issued share capital as enlarged by the July 2007 Placing; and (iii) approximately 19.60% of the Company's issued share capital as enlarged by the July 2007 Placing and the issue of the Subscription Shares. The net proceeds from the Subscription is approximately HK\$95.7 million and HK\$50 million will be used for debt repayment and the remaining HK\$45.7 million will be used for general working capital of the Group.

The subscription price of HK\$0.192 per Share represents (i) a discount of approximately 17.60% to the closing price of HK\$0.233 per Share quoted on the Stock Exchange on the Last Trading Date (ie. 18 July, 2007); (ii) a discount of approximately 17.95% to the average closing price of HK\$0.234 per Share as quoted on the Stock Exchange from 12 July, 2007 to 18 July, 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 19.67% to the average closing price of HK\$0.239 per Share as quoted on the Stock Exchange from 5 July, 2007 to 18 July, 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\$0.192 per Share represents approximately a discount of 38.06% to the net asset value per Share of HK\$0.31 as at 30 June, 2007.

The Subscription is conditional upon (i) Stock Exchange granting listing of and permission to deal in the Subscription Shares; and (ii) the passing of the relevant resolutions by the Shareholders approving the Subscription and the allotment and issue of the Subscription Shares in accordance with the Listing Rules.

A circular containing further details of the Subscription and the notice of the EGM for the purpose of seeking Shareholders' approval for the allotment and issue of Subscription Shares under the Subscription Agreement 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 19 July, 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 20 July, 2007.**

## **SUBSCRIPTION AGREEMENT**

**Date:** 18 July, 2007

**Parties:** (1) the Company

(2) Ms. LO, a third party independent of and not connected with the Company and the Connected Persons of the Company. She has not entered into any transaction with the Company in the 12 months preceding the date of this announcement. Upon completion of the Subscription, Ms. LO will hold 500,000,000 Shares representing approximately 19.60% of the issued share capital of the Company as enlarged by the July 2007 Placing and the issue of the Subscription Shares. As at the date of this announcement, Ms. LO does not hold any position in the Group. Ms. LO was a substantial shareholder of the Company since 30 June, 2003 but has since 17 January, 2005 ceased to become a substantial shareholder of the Company. Currently, she does not hold any Shares.

**Subscription price:**

The subscription price of HK\$0.192 per Share represents (i) a discount of approximately 17.60% to the closing price of HK\$0.233 per Share quoted on the Stock Exchange on the Last Trading Date (ie. 18 July, 2007); (ii) a discount of approximately 17.95% to the average closing price of HK\$0.234 per Share as quoted on the Stock Exchange from 12 July, 2007 to 18 July, 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 19.67% to the average closing price of HK\$0.239 per Share as quoted on the Stock Exchange from 5 July, 2007 to 18 July, 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\$0.192 per Share represents approximately a discount of 38.06% to the net asset value per Share of HK\$0.31 as at 30 June, 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 500,000,000 new Subscription Shares (with an aggregate nominal value of HK\$50,000,000) to be placed represents (i) 29.26% of the existing issued share capital of the Company of 1,708,828,331 Shares; (ii) approximately 24.38% of the issued share capital as enlarged by the July 2007 Placing; and (iii) approximately 19.60% of the Company's issued share capital as enlarged by the July 2007 Placing and the issue of the Subscription Shares.

**Use of Proceeds:**

The gross proceeds from the Subscription referred to herein, estimated to be approximately HK\$96 million whereas the net proceeds from the Subscription shall be approximately HK\$95.7 million, of which HK\$50 million will be used for debt repayment and the remaining HK\$45.7 million will be used for general working capital of the Group. The net price raised per Share will be about HK\$0.191 per Share. The debt repayment is in respect of an outstanding loan balance due by the Company. This outstanding loan is an interest bearing loan at the prime rate. The loan was used to finance certain investments of the Group and no charges were granted by the Group in respect of such loan. The outstanding principal amount of the loan as at the date of this announcement is HK\$50 million.

**Subscription Conditions:**

The Subscription is conditional upon (i) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Subscription Shares; and (ii) the passing of the relevant resolutions by the Shareholders approving the Subscription and the allotment and issue of the Subscription Shares in accordance with the Listing Rules.

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 Conditions or such other date as the parties may agree. The Subscription Agreement will lapse if the Subscription Conditions are not satisfied by 17 October, 2007, unless the parties agree otherwise.

**Reason for the Subscription:**

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 the Subscription represents an opportunity to raise capital for the Company. Ms. LO is well acquainted with the Company and had previously been a substantial shareholder of the Company, holding a 29.28% shareholding of the Company. However, she ceased to be a substantial shareholder of the Company on 17 January, 2005 and as at the date of the announcement, does not own any Shares.

The Directors have taken into account the Company's previous fund raising exercise and had made enquiries to other potential investors but did not receive a better offer price. On such basis, the Directors (including the independent non-executive Directors) consider that the terms and conditions of the Subscription (including the discounts referred to in the section headed "Subscription price" above) are fair and reasonable and the Subscription is in the interest of the Company and its Shareholders as a whole.

As at the date of this announcement, there is no intention that Ms. LO will become a director of the Company or will nominate a director of the Company after completion of the Subscription.

## 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:–

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 July 2007 Placing	Percentage of entire issued share capital of the Company immediately after the July 2007 Placing	No. of Shares held immediately after the July 2007 Placing and the Subscription	Percentage of entire issued share capital of the Company immediately after the July 2007 Placing and the Subscription
Heritage International Holdings Limited ( <i>Note 1</i> )	199,928,000	11.70%	199,928,000	9.75%	199,928,000	7.84%
Ms. LO	0	0%	0	0%	500,000,000	19.60%
OTHER PUBLIC SHAREHOLDERS	1,508,900,331	88.30%	1,850,665,997	90.25%	1,850,665,997	72.56%
	<u>1,708,828,331</u>	<u>100%</u>	<u>2,050,593,997</u>	<u>100%</u>	<u>2,550,593,997</u>	<u>100%</u>

*Note 1:* 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 2:* As at the date of this announcement, there are no outstanding share option and securities convertible into Shares of the Company.

## **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\$66.39 million	General working capital	Placing not yet complete

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. Although the Company has conducted three equity fund raising exercise since March, 2007, taking into account that the Company is an investment company, the Subscription will allow the Company with access to immediately available funds for its business.

## **GENERAL**

A circular containing further details of the Subscription and the notice of the EGM for the purpose of seeking Shareholders' approval for the allotment and issue of Subscription Shares under the Subscription Agreement will be despatched to Shareholders as soon as practicable. None of the Shareholders are required to abstain from voting at the EGM to approve the allotment and issue of Subscription Shares under Subscription Agreement.

**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 19 July, 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 20 July, 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, among other things, the allotment and issue of Subscription Shares under the Subscription Agreement;
“July 2007 Placing”	the placing of 341,765,666 new Shares in the Company pursuant to the placing agreement entered into between the Company and Chung Nam Securities Limited dated 12 July, 2007 and as referred to in the announcement of the Company dated 12 July, 2007;
“Ms. LO”	LO, Ki Yan Karen;
“Group”	the Company and its subsidiaries;
“Last Trading Date”	18 July, 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;
“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;
“Subscription”	the subscription of the Subscription Shares by Ms. LO under the terms of the Subscription Agreement;
“Subscription Agreement”	an agreement dated 18 July, 2007 between the Company and Ms. LO in relation to the Subscription of the Subscription Shares;
“Subscription Conditions”	the conditions for the Subscription as described in the section headed “ Subscription Conditions” above; and
“Subscription Shares”	500,000,000 new Shares in the Company to be issued to Ms. LO under the Subscription Agreement.

*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, 19 July, 2007