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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)

CONTINUING CONNECTED TRANSACTIONS

On 16th September, 2009, the Company entered into the Master Transactions Agreement with HCG in relation to the Transactions.

CUIM is the investment manager of the Company and thus a connected person of the Company under Rule 21.13 of the Listing Rules. As a result of the acquisition of CUIM by HCG, which was completed on 2nd July, 2009, CUIM became indirectly wholly-owned by HCG. Accordingly, HCG Group is a connected person of CUIM and therefore a connected person of the Company under Rule 21.13 of the Listing Rules. Transactions between HCG Group and the Group became connected transactions for the Company. To comply with Rule 14A.35 of the Listing Rules, the Company and HCG entered into the Master Transactions Agreement.

The Master Transactions Agreement and the Transactions constitute continuing connected transactions subject to the reporting, announcement and Independent Shareholders approval requirements as set out in Chapter 14A.52 of the Listing Rules. An independent financial adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Master Transactions Agreement are fair and reasonable so far as the Shareholders are concerned.

A circular containing, among other things, details of the Master Transactions Agreement, the advice of the independent financial adviser and the recommendation of the Independent Board Committee, together with a notice convening the EGM will be despatched to the Shareholders as soon as practicable.

MASTER TRANSACTIONS AGREEMENT

Date of agreement: 16th September, 2009

Parties: (1) the Company (for itself and on behalf of its subsidiaries)
(2) HCG (for itself and on behalf of its subsidiaries)

Transactions:

Under the Master Transactions Agreement, the Group and HCG Group acknowledge that they may from time to time enter into the Transactions. The Transactions comprise of the provision of securities brokerage, margin trading and financing facilities, investment management services and financial advisory services by HCG Group to the Group.

(i) Terms of the investment management agreement

The investment advisory services mentioned above refer to the services offered under the investment management agreement dated 5th November, 2003 entered into between the Company and CUIM, renewed on an annual basis since then. CUIM is indirectly wholly owned by HCG. Particulars of the current directors of CUIM are as follows:

Mr. Chan Shek Wah (“Mr. Chan”) has more than 20 years of professional experiences in the financial services industry. Mr. Chan has been engaged in the sales, proprietary trading, structuring of equity derivatives and equity capital markets products as well as the provision of corporate finance advisory services to listed issuers. Mr. Chan was the senior management and the executive directors in several international financial institutions. Mr. Chan is also the licensed responsible officer with the Securities and Futures Commission for Radland International Limited and CU Corporate Finance Limited. Mr. Chan is currently an independent non-executive director of Future Bright Holdings Limited (stock code: 703) and China Sci-Tech Holdings Limited (stock code: 985), both companies are listed on the Main Board of the Stock Exchange. Mr. Chan was appointed as the managing director of CUIM on 27th August, 2001.

Mr. Yap Wai Tso, Joseph (“Mr. Yap”) has more than 13 years of professional experiences in the financial services industry. Mr. Yap has held positions in leading financial institutions in Beijing, Hong Kong and Taipei, having worked in equity, fixed income and foreign exchange research, proprietary trading and private equity investment. Mr. Yap is a US Chartered Financial Analyst charterholder and an Associate of the UK Institute of Chartered Secretaries and Administrators. Mr. Yap graduated from Oxford University, UK with a Master of Arts degree and also holds a Master of Science degree with Distinction from South Bank University, UK. Mr. Yap was appointed as the managing director of CUIM on 21st November, 2008.

For each of two financial years ended 31st December, 2008 and the six months ended 30th June, 2009, the historical investment management fees paid by the Company to CUIM were as follow:

	Financial year ended 2007 <i>HK\$'000</i>	Financial year ended 2008 <i>HK\$'000</i>	Six months ended 30th June, 2009 <i>HK\$'000</i>
Investment management fee paid	840	840	360

The terms of investment management agreement will be negotiated and renewed on annual basis at each financial year end. As a result HCG's acquisition of CUIM, the investment manager of the Company remains as CUIM, there has been no change to the investment management fee which remains at HK\$60,000 per month and there has also been no change in the personnel of CUIM. The Annual Caps (under "Financial Services" as referred to below) includes the investment management fee payable under the investment management agreement.

(ii) Terms of the margin trading and financing facilities

As the Company is an investment company, securities trading is part of the main business activity of the Company conducted in its usual and ordinary course of business. The Company generally trades on margin trading and financing facilities. Chung Nam, a subsidiary of HCG, is the Company's main broker.

Chung Nam grants margin trading and financing facilities to the Group from time to time based on an agreed percentage of the market value of the Group's portfolio maintained with Chung Nam. The terms of the margin trading facility are as follows. Settlement is done on the second trading day after the transaction date (T + 2) which is in accordance with the requirements for on market trades on the Stock Exchange. It is a term of the standard margin client agreement entered into between Chung Nam and the Group that interest is charged on outstanding balances. The current interest rate is 6% per annum, which is subject to change as determined from time to time by Chung Nam, is in line with rates offered in the market for services of this nature by other brokers. The margin facility line is only drawn and interest is charged if settlement is not done on T + 2 terms. The margin client agreement also states that if the Group commits a default in payment on demand of the deposits or margins

or any other sums payable to Chung Nam, on the due date Chung Nam shall have the right to close the margin account(s) without notice to the Group and to dispose of any or all securities held for or on behalf of the Group and to apply the proceeds to pay Chung Nam all outstanding balances owing to Chung Nam. This has consistently been treated in the past as a charge on assets of the Group in the financial statements of the Company.

Basis: The Transactions shall be conducted on normal commercial terms or terms no less favourable to the Group than those offered to the Group by independent third parties.

The parties further acknowledge that the relevant members of the Group have entered or may enter into Subsidiary Agreements with HCG Group with respect to details of the Transactions. Each Subsidiary Agreement to be entered into after the date of the Master Transactions Agreement shall not be in breach of the Master Transactions Agreement and the relevant requirements under the Listing Rules.

Annual Caps: The parties agree that the Transactions will be subject to the following annual caps (“Annual Caps”):

The aggregate amounts payable by the Group to HCG Group for the Transactions for each of the three years ending 31st December, 2011 shall not exceed the following:

	From 2nd July, 2009 to 31st December, 2009 <i>HK\$'000</i>	For the year ending 31st December, 2010 <i>HK\$'000</i>	For the year ending 31st December, 2011 <i>HK\$'000</i>
Financial services (including brokerage, investment management services, financial advisory services and interest on margin financing)	4,000	8,000	8,400
Margin financing facilities (including interest on margin financing)	100,000	100,000	105,000

The Annual Caps for the margin financing facilities are determined on a revolving facility basis and refer to the maximum amount which may be outstanding at any given time.

Condition precedent: The Master Transactions Agreement is conditional on the approval of the Master Transactions Agreement and the transactions contemplated thereunder by Independent Shareholders in accordance with the Listing Rules. If the condition is not satisfied on or before 31st December, 2009 (or such later date as may be agreed between the parties), the Master Transactions Agreement will automatically terminate and neither party or its subsidiaries shall have any claim against the other or its subsidiaries save in respect of any antecedent breaches.

Term: The Master Transactions Agreement shall continue until 31st December, 2011, subject to satisfaction of the condition above. Upon the expiry of the Master Transactions Agreement, the parties may renew the Master Transactions Agreement, subject to compliance with the Listing Rules and all applicable law.

REASONS FOR AND BENEFITS OF THE MASTER TRANSACTIONS AGREEMENT

The Company is an investment company listed under Chapter 21 of the Listing Rules. The principal business of the Group is to invest in both listed and unlisted companies.

HCG Group is engaged in the provision of financial services including securities brokerage, commodity trading, fund management, money lending, margin financing, investment management and corporate finance advisory as well as proprietary trading and direct investment. In addition to CUIM, other members of the HCG Group has since around 2004 carried out the Transactions with the Group.

The Transactions are entered into by the Group in its ordinary and usual course of its business. Given that the Transactions are on terms no less favourable to the Group than those offered to the Group by independent third parties and the long standing relationship between the Group and HCG Group, the Directors are of the view that it is in the interest of the Group to continue to enter into the Transactions with HCG Group and not to cease the Transactions purely because HCG Group has become a connected person of the Company. The Master Transactions Agreement will enable the Group to continue its relationship with HCG Group in the ordinary and usual course of business of the Group in compliance with the requirements of the Listing Rules, to contribute to the revenue and results of the Group, and is therefore in the interest of and are beneficial to the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Master Transactions Agreement are fair and reasonable and in the interests of the Company and Shareholders as a whole.

CONNECTED PERSONS

CUIM is the investment manager of the Company and thus a connected person of the Company under Rule 21.13 of the Listing Rules. As a result of the acquisition of CUIM by HCG which was completed on 2nd July, 2009, CUIM became indirectly wholly-owned by HCG. Accordingly, HCG Group is a connected person of CUIM and therefore a connected person of the Company under Rule 21.13 of the Listing Rules. Transactions between HCG Group and the Group became connected transactions for the Company. To comply with Rule 14A.35 of the Listing Rules, the Company and HCG entered into the Master Transactions Agreement. In addition, the Group holds approximately 2.49% of the issued share capital of HCG as at the date of this announcement.

DETERMINATION OF THE ANNUAL CAPS

For each of the two financial years ended 31st December, 2008 and the six months ended 30th June, 2009, the total amounts payable by the Group to HCG Group for the Transactions were approximately:

	For the year ended 31st December, 2007 <i>HK\$'000</i>	For the year ended 31st December, 2008 <i>HK\$'000</i>	For the six months ended 30th June, 2009 <i>HK\$'000</i>
Financial services (including brokerage, investment management services, financial advisory services and interest on margin financing)	5,800	2,400	1,600
Margin financing facilities (including interest on margin financing)	93,000	25,300	14,800

The amounts payable for the margin financing facilities set out above are determined on a revolving facility basis and refer to the maximum amount which may be outstanding at any given time.

The Annual Caps for amounts payable under the Master Transactions Agreement are determined by reference to actual value of the Transactions in 2007 and 2008, the net asset value of the Group and the anticipated growth of the volume of the Transactions under the Master Transactions Agreement. The Board is of view that the stock market sentiment has generally improved since the second quarter of 2009 as indicated by a notable increase in the securities transactions and expects that the stock market sentiment will continue to improve and securities transactions will continue to increase (including those in connection with initial public offerings and private placing).

Shareholders and investors should note that the Annual Caps referred to above are prepared to enable the Company to comply with the requirements of Chapter 14A of the Listing Rules. No assurance is given as to whether or not, and the extent to which, the Group will be able to or generate business as contemplated or estimated for the sole purpose of establishing the Annual Caps or at all.

GENERAL

The Master Transactions Agreement and the Transactions constitute continuing connected transactions subject to the reporting, announcement and Independent Shareholders approval requirements under Rule 14A.52 of the Listing Rules. An independent financial adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Master Transactions Agreement are fair and reasonable so far as the Shareholders are concerned.

A circular containing, among other things, details of the Master Transactions Agreement, the advice of the independent financial adviser and the recommendation of the Independent Board Committee, together with a notice convening the EGM will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, the following terms have the meanings set forth opposite them:

“Annual Caps”	the maximum aggregate annual value in respect of the Transactions as referred to in the headed “Annual Caps”;
“Board”	the board of Directors;
“Company”	Unity Investments Holdings Limited (合一投資控股有限公司), a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange;
“Chung Nam”	Chung Nam Securities Limited;
“CUIM”	CU Investment Management Limited;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of approving the Master Transactions Agreement and the transactions contemplated thereunder including the Annual Caps;
“Group”	the Company and its subsidiaries;
“HCG”	Hennabun Capital Group Limited;
“HCG Group”	HCG and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	an independent committee of the Board which comprises Mr. Chung Kong Fei, Stephen, Mr. Tsang Wing Ki, Ms. Swartz Kristi Lynn and Mr. Ngai Wai Kin;
“Independent Shareholders”	shareholders of the Company other than those materially interested in the Transactions;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Master Transactions Agreement”	the agreement between the Company (for itself and on behalf of its subsidiaries) and HCG (for itself and on behalf of its subsidiaries) in relation to the Transactions dated 16th September, 2009;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary Agreement(s)”	any agreement setting out the details terms and conditions entered or to be entered pursuant to terms of Master Transactions Agreement from time to time;
“Transactions”	the transactions between the Group and HCG Group described in the section headed “Transactions” in this announcement; and
“%” or “per cent.”	percentage or per centum.

By order of the Board
Unity Investments Holdings Limited
 合一投資控股有限公司
KITCHELL Osman Bin
Executive Director

Hong Kong, 16th September, 2009

As at the date of this announcement, the executive Directors are Mr. KITCHELL Osman Bin (Chairman and Chief Executive Officer), Ms. DAVIS Angela Hendricks and Ms. CHOI Ka Wing; and the independent non-executive Directors are Mr. CHUNG Kong Fei, Stephen, Mr. TSANG Wing Ki, Ms. SWARTZ Kristi Lynn and Mr. NGAI Wai Kin.