

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

The board of directors (the “**Board**”) of Unity Investments Holdings Limited (the “**Company**”) would like to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2015 (the “**Period**”). The interim results for the Period are unaudited but have been reviewed by the Company’s Audit Committee. The Board has approved the unaudited condensed consolidated financial statements of the Company for the six months interim period ended 30 June 2015.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2015

		Unaudited	
		Six months ended 30 June	
		2015	2014
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	2	(9,865)	51,607
Other revenue	2	148	2,583
Changes in fair value of listed equity investments classified under investments held for trading		582,342	62,505
Realised gain on disposal of listed equity investments classified under available-for-sale investments		52,306	137,434
Other operating expenses		(3,566)	(8,764)
Finance costs		—	(696)
Profit before tax	4	621,365	244,669
Income tax expense	5	(57,000)	—
Profit for the Period attributable to equity holders of the Company		564,365	244,669

		Unaudited	
		Six months ended 30 June	
		2015	2014
	<i>Notes</i>	HK\$'000	HK\$'000
Other comprehensive income (loss)			
<i>Items that are or may be reclassified to profit or loss:</i>			
Changes in fair value of available-for-sale investments		69,999	28,387
Realisation upon disposal of available-for-sale investments		9,369	(137,434)
		<u> </u>	<u> </u>
Other comprehensive income (loss) for the Period		79,368	(109,047)
		<u> </u>	<u> </u>
Total comprehensive income for the Period attributable to equity holders of the Company		643,733	135,622
		<u> </u>	<u> </u>
			<i>(Restated)</i>
Earnings per share			
Basic and Diluted	<i>6</i>	HK\$0.27	HK\$0.42
		<u> </u>	<u> </u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	<i>Notes</i>	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK\$'000
Non-current assets			
Available-for-sale investments	7	<u>317,778</u>	<u>260,850</u>
Current assets			
Financial assets at fair value through profit or loss	7	755,685	10,120
Deposits and prepayments		1	150
Due from securities brokers	8	59,064	25,456
Bank balances and cash		<u>241,261</u>	<u>5,104</u>
		1,056,011	40,830
Assets classified as held for sale	9	<u>285,000</u>	<u>285,000</u>
		1,341,011	325,830
Current liabilities			
Other payables and accruals		<u>10,096</u>	<u>916</u>
Net current assets		<u>1,330,915</u>	<u>324,914</u>
Total assets less current liabilities		<u>1,648,693</u>	<u>585,764</u>
Non-current liabilities			
Deferred tax liabilities		<u>57,000</u>	<u>–</u>
NET ASSETS		<u><u>1,591,693</u></u>	<u><u>585,764</u></u>
Capital and reserves			
Share capital		58,210	11,642
Reserves		<u>1,533,483</u>	<u>574,122</u>
TOTAL EQUITY		<u><u>1,591,693</u></u>	<u><u>585,764</u></u>

Notes:

1. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements for the six months ended 30 June 2015 (the “**Period**”) have been prepared in accordance with Hong Kong Accounting Standard 34 “*Interim Financial Reporting*” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The preparation of interim financial statements in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

These unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2014. They have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss and available-for-sale investments in listed securities, which are measured at fair value.

The accounting policies and methods of computation applied in preparation of these unaudited interim condensed consolidated financial statements are consistent with those applied in preparing the Group’s financial statements for the year ended 31 December 2014. The HKICPA has issued a number of new Hong Kong Financial Reporting Standards (“**HKFRSs**”) and amendments to HKFRSs that are first effective for the current Period. Of these, the following developments are relevant to the Group’s financial statements:

Amendments to HKAS 19 (2011), Defined Benefit Plans – *Employee Contributions*
Annual Improvements Project to various HKFRSs – 2010-2012 Cycle
Annual Improvements Project to various HKFRSs – 2011-2013 Cycle

The adoption of these new/revised HKFRSs does not have any significant effect on the financial position or performance of the Group.

The Group has not early adopted any new and revised HKFRSs that have been issued but are not yet effective for the current Period. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to reasonably estimate whether these new and revised HKFRSs would have a significant impact on the Group’s results of operations and financial position.

2. TURNOVER AND REVENUE

The Group is principally engaged in the investments in listed and unlisted securities. Turnover and revenue recognised during the six months ended 30 June 2015 are as follows:

	Unaudited	
	Six months ended 30 June	
	2015	2014
	HK\$’000	HK\$’000
Turnover		
Results from the sale of listed investments classified under investments held for trading	<u>(9,865)</u>	<u>51,607</u>
Other revenue		
Dividend income from listed investments	–	1,863
Interest income	135	–
Other income	<u>13</u>	<u>720</u>
	148	2,583
Total revenue	<u>(9,717)</u>	<u>54,190</u>

3. SEGMENT INFORMATION

For the purpose of internal reporting, the Group only has one business segment, namely, investments in listed and unlisted securities. Business segment information, which is the Group's primary basis of segment reporting, is not required as the Group's turnover, contribution to operating profit, assets and liabilities are attributable to this only segment.

Geographical information

All the Group's revenue for the six months ended 30 June 2015 and 2014 were derived in Hong Kong.

4. PROFIT BEFORE TAX

	Unaudited	
	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
This is stated after charging (crediting):		
Depreciation	–	380
Staff cost, including directors' emoluments	813	3,625
Operating lease charges in respect of:		
land and buildings	180	420
hire of machinery	–	59
Interest on other borrowings wholly repayable within five years	–	696
	<u> </u>	<u> </u>

5. INCOME TAX EXPENSE

Hong Kong Profits Tax has not been provided for the Period as the estimated assessable profits of the Group was wholly absorbed by unused tax losses brought forward from previous years.

	Unaudited	
	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Deferred tax expense	57,000	–
	<u> </u>	<u> </u>

6. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit attributable to equity holders for the Period of HK\$564,365,000 (2014: HK\$244,669,000) and the weighted average number of ordinary shares of 2,106,024,993 (2014 as restated: 582,105,602) in issue during the Period. The comparative amount of basic earnings per share has been adjusted to reflect the impact of bonus issue effected on 16 October 2014 and share consolidation effected on 10 February 2015.

As there were no dilutive potential ordinary shares, diluted earnings per share was the same as basic earnings per share for the six months ended 30 June 2015 and 2014.

7. INVESTMENTS

	<i>Notes</i>	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK\$'000
Available-for-sale investments			
Equity investments, at fair value			
Listed in Hong Kong	(i)	126,828	69,900
Equity investments, at fair value			
Unlisted in Hong Kong	(ii)	<u>190,950</u>	<u>190,950</u>
Total		<u><u>317,778</u></u>	<u><u>260,850</u></u>
Financial assets at fair value through profit or loss			
Held for trading			
Equity investments, at fair value			
Listed in Hong Kong		<u><u>755,685</u></u>	<u><u>10,120</u></u>

Notes:

(i) Available-for-sale investments

	Unaudited 30 June 2015 HK\$'000	Audited 31 December 2014 HK\$'000
Market value of equity securities listed in Hong Kong	<u><u>126,828</u></u>	<u><u>69,900</u></u>

(ii) Fair value information has not been disclosed for these equity investments because the instruments are unlisted and their fair value cannot be measured reliably. The Group intends to hold these investments on a long-term basis.

8. DUE FROM SECURITIES BROKERS

At the Period end date, the amount due from securities brokers were not yet due.

9. ASSETS CLASSIFIED AS HELD FOR SALE

In December 2014, the Company committed plans to sell the following available-for-sale financial assets and during the reporting period, sales and purchase agreements have been entered into with various buyers. Details are as follows:

	Unaudited 30 June 2015 and audited 31 December 2014	Cost less impairment HK\$'000
	Effective shareholding interest	
Keen Champ Investments Limited	16.00%	105,000
Peak Zone Group Limited	29.90%	90,000
Sincere Smart International Limited	<u>29.50%</u>	<u>90,000</u>
		<u><u>285,000</u></u>

MANAGEMENT DISCUSSION AND ANALYSIS

INTERIM DIVIDEND

The Board does not recommend any interim dividend for the six months ended 30 June 2015 (the “**Period**”) (*six months ended 30 June 2014: Nil*).

RESULTS

The Group recorded a net profit of approximately HK\$564.4 million for the Period as compared to approximately HK\$244.7 million in the corresponding period of last year. The net profit incurred by the Group for the Period was mainly attributable to fair value gain on listed investments at fair value through profit and loss. Earnings per share of the Company for the Period was HK\$0.27 as compared to HK\$0.42 as restated for the same period in 2014.

BUSINESS REVIEW AND PROSPECTS

The Company is an investment company and its shares are listed on the Main Board of the Stock Exchange since 27 October 1999, pursuant to Chapter 21 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). During the period under review, the Group remains principally engaged in listed investments in Hong Kong, other major stock markets around the world, and in unlisted companies to achieve medium-term or long-term capital appreciation.

The encouraging atmosphere of the small-medium cap sector in the Hong Kong stock market led the outstanding performance of the Group investment in listed securities during the Period. The listed equity investments classified under investments held for trading has posted net realised loss of approximately HK\$9.9 million (*2014: profit of HK\$51.6 million*) and unrealised gain of approximately HK\$582.3 million (*2014: HK\$62.5 million*). The listed equity investments classified under available-for-sale investments reported net realised gain of approximately HK\$52.3 million (*2014: HK\$137.4 million*). During the Period, the Board remains placed much resources on listed equity investments in Hong Kong. The Company is cautious in identifying any investment opportunities to achieve medium-term or long-term capital appreciation.

In order to keep reasonable spread of the Group’s investments, the Board will maintain a diversified investment portfolio to cover a wide range of business sectors, including, but not limited to, companies engaged in sectors such as finance, consumer goods and consumer services, manufacture of juvenile and infant products, etc.

The classification of investment portfolio of the Group as at 30 June 2015 are as follows:

	Market value/ Cost HK\$’000	Approximate percentage of the Group’s consolidated net asset value
Available-for-sale investments	317,778	20.0%
Financial assets at fair value through profit or loss	753,685	47.4%

The Group has disposed of three unlisted investments, namely Keen Champ Investments Limited, Peak Zone Group Limited and Sincere Smart International Limited in the first quarter of Year 2015. These investments have been disclosed as assets held for sale on the Group's (Condensed) Consolidated Statement of Financial Position as at 30 June 2015 and 31 December 2014. Save as disclosed above, the Group has neither acquired nor disposed of any other unlisted investments. No profit or loss was derived from unlisted investments during the Period.

Following a few years of low interest rate environment in US, the Fed Chairperson, Janet Yellen, said in a testimony prepared for a US House panel that if the economy evolves as expected, economic conditions likely would make it appropriate at some point in Year 2015 to raise the federal funds rate.

The Greek crisis has been the main theme in Europe economic market again since Q3 of 2015. On 30 June 2015, Greece became the first developed country to fail to make an International Monetary Fund loan repayment. At that time, Greece's government had debts of over €300 billion. Subsequently, Greece and its European creditors announced an agreement on 13 July 2015 that aimed to resolve the Greek debt crisis and keep it in the eurozone, but that would require further budgetary belt-tightening.

China has also experienced sharp falling in its stock market in Q3 of this year. A series of interventions was then implemented to stem the panic. SSE Composite Index rebounded reactively from approximately 3,550 on 9 July 2015 to over 4,100 within two weeks on 23 July 2015, but then dropped again to approximately 3,660 on the date of this announcement.

Although there are more uncertainties in the global stock markets in Q3 of this year than in the couple of years before, the Board believes the fear in stock markets will be gradually removed and we will continue to monitor the market dynamics and adopt a conservative approach on investment, so as to further enhance value for the Shareholders.

FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

The Group's asset portfolio was mainly financed by internally generated cash resources and fund raising activities. As at 30 June 2015, net current assets of the Group amounted to approximately HK\$1,330.9 million (*As at 31 December 2014: approximately HK\$324.9 million*) with cash and bank balances of approximately HK\$241.3 million (*As at 31 December 2014: approximately HK\$5.1 million*).

The unaudited consolidated net asset value per share of the Company as at 30 June 2015 was HK\$0.55 (*As at 31 December 2014: audited HK\$0.10*). The consolidated net assets value per share is calculated based on the net assets of the Group as at 30 June 2015 of approximately HK\$1,591.7 million (*As at 31 December 2014: approximately HK\$585.8 million*) and the total number of 2,910.5 million shares (*As at 31 December 2014: 5,821.1 million shares*) in issue as at that date.

There was no material change in available credit facilities when compared to the financial year ended 31 December 2014. The gearing ratio of the Group was 4.04% as at 30 June 2015 (*As at 31 December 2014: 0.16%*), which is calculated based on the Group's total liabilities divided by its total assets. Considering the amount of liquid assets on hand and available short-term or margin loan facilities, the Group has sufficient working capital to meet its ongoing operational requirements.

On 15 December 2014, the Company proposed to implement (i) a share consolidation on the basis that every ten authorised and unissued shares of the Company with a par value of HK\$0.002 each in the share capital of the Company be consolidated into one consolidated share of HK\$0.02 each (the “**Share Consolidation**”); and (ii) an open offer of four offer shares for every one consolidated share at a price of HK\$0.16 per offer share (the “**Open Offer**”). The Share Consolidation and the Open Offer were approved by the shareholders of the Company at the extraordinary general meeting held on 9 February 2015 and the Share Consolidation was effective on 10 February 2015. Approximately 2,328.4 million offer shares were issued and allotted on 19 March 2015.

The Board has been actively seeking fund raising opportunities to strengthen the Company’s financial position.

Charge of Assets and Margin Facilities

As at 30 June 2015, margin facilities from several regulated securities brokers were granted to the Group which were secured by the Group’s available-for-sale investments and investments held for trading. As at 30 June 2015, no margin facilities (As at 31 December 2014: HK\$Nil) had been utilised against these facilities and the total carrying amount of the available-for-sale investments and investments held for trading charged to the securities brokers was approximately HK\$882,513,000 (As at 31 December 2014: approximately HK\$80,020,000).

Capital Commitments

As at 30 June 2015, the Group had no material capital commitment.

Contingent Liabilities

The Company had corporate guarantee for securities trading account maintained by one of its subsidiaries with a broker, which was unutilised at 30 June 2015 and 31 December 2014.

FOREIGN EXCHANGE EXPOSURE

As at 30 June 2015, the majority of the Group’s investments were either denominated in Hong Kong dollars or Singapore dollars. The Board considers its exposure to foreign exchange risk was not significant, therefore, no financial instruments was made to hedge such exposures.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S SHARES

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Corporate Governance Code (the “**CG Code**”) stipulated in Appendix 14 of the Listing Rules throughout the Period, save and except for code provision A.2.1, A.4.1 and A.6.7, details of which are summarised and explained below.

Code provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. NG Chi Hoi has taken the roles of the chairman and chief executive officer of the Company. He possesses essential leadership skills and has extensive knowledge of the Group's business. The Board is of the view vesting the roles of a chairman and chief executive officer in the same person provides the Group with strong and consistent leadership, allows for more effective and efficient business planning and decision-making as well as execution of long term business strategies.

Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The Company has not fixed the term of appointment for non-executive directors, which constitutes a deviation from code provision A.4.1. However, all non-executive directors of the Company are subject to retirement by rotation at least once every three years and re-election at the annual general meeting of the Company pursuant to Article 157 of the articles of association of the Company which was amended on 13 September 2005. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code.

Pursuant to Code provision A.6.7, non-executive directors should attend general meetings. Certain independent non-executive directors could not attend the general meetings held during the Period due to other business commitments.

The practice of the corporate governance of the Company will be reviewed and updated from time to time in order to comply with Listing Rules requirements.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the directors of the Company. Upon specific enquiry by the Company, all directors of the Company have confirmed that they complied with the required standards as set out in the Model Code throughout the Period.

EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2015, the Group had 7 employees, including directors of the Company. They are remunerated based on their performance, working experience and prevailing market standards. Employee benefits include medical insurance coverage, a defined contribution Mandatory Provident Fund retirement benefits scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance and share option scheme. There has been no significant change in the Group's remuneration policy.

AUDIT COMMITTEE

The Audit Committee and management of the Company have reviewed the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters, including a review of the unaudited interim accounts for the Period.

As at the date of this announcement, the Audit Committee of the Company is comprised of all independent non-executive directors, namely, Mr. CHAN Yik Pun, Mr. HUNG Cho Sing and Ms. CHUNG Fai Chun. Mr. CHAN Yik Pun is the chairman of the Audit Committee.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.unity913.com). The interim report for the Period containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and available on the same websites in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our appreciation to the Group's management team and staff for their contribution during the Period. I would also like to give our sincere gratitude to all our shareholders for their continuous support.

By Order of the Board
Unity Investments Holdings Limited
合一投資控股有限公司
NG Chi Hoi
Chairman

Hong Kong, 6 August 2015

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. NG Chi Hoi
(Chairman and Chief Executive Officer)
Ms. SHUM Kit Lan Anita

Independent non-executive Directors:

Mr. HUNG Cho Sing
Mr. CHAN Yik Pun
Ms. CHUNG Fai Chun