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## THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your stockbroker, a licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares or Consolidated Shares in Unity Investments Holdings Limited 合一投資控股有限公司 (the “Company”), you should at once hand this Prospectus with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed “Documents delivered to the Registrar of Companies” in Appendix III to this Prospectus, has been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong takes no responsibility as to the contents of any of these documents.

Dealings in the securities of the Company may be settled through CCASS and you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this Prospectus, 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 Prospectus.

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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)**

### **OPEN OFFER ON THE BASIS OF FOUR OFFER SHARES FOR EVERY ONE CONSOLIDATED SHARE HELD ON THE RECORD DATE AT HK\$0.16 PER OFFER SHARE**

**Financial adviser to the Company**



**AKRON**  
Corporate Finance Limited  
亞貝隆資本有限公司

**Underwriter of the Open Offer**



**Enerchine**  
SECURITIES LIMITED

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The latest time for acceptance of and payment for the Offer Shares is at 4:00 p.m. on Tuesday, 10 March 2015. The procedures for acceptance of and payment for the Offer Shares are set out on pages 23 to 24 of this Prospectus.

Shareholders should note that the Consolidated Shares have been dealt in on an ex-entitlement basis commencing from Wednesday, 11 February 2015 and that dealings in the Consolidated Shares may take place while the conditions to which the Underwriting Agreement is subject to remain unfulfilled. Any Shareholder or other person dealing in the Consolidated Shares up to the date on which all conditions to which the Open Offer is subject to are fulfilled will accordingly bear the risk that the Open Offer may not become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Consolidated Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional advisers.

**The Open Offer is conditional, inter alia, upon the fulfillment of the conditions set out under the section headed “Conditions of the Open Offer” in the Letter from the Board of this Prospectus. In particular, the Open Offer is subject to the Underwriter not terminating the Underwriting Agreement in accordance with the terms set out therein. Accordingly, the Open Offer may or may not proceed. Any Shareholders or other persons contemplating selling or purchasing Consolidated Shares up to the date when the conditions of the Open Offer are fulfilled will bear the risk that the Open Offer cannot become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealings in the securities of the Company.**

24 February 2015

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## EXPECTED TIMETABLE

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*The expected timetable for the Open Offer is set below:*

<b>Events</b>	<b>2015</b>
Despatch of the Prospectus Documents . . . . .	Tuesday, 24 February
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of Consolidated Shares . . . . .	9:00 a.m. on Thursday, 26 February
Original counter for trading in Consolidated Shares in new board lots of 50,000 Consolidated Shares (in the form of new share certificates) re-opens . . . . .	9:00 a.m. on Thursday, 26 February
Parallel trading in the Consolidated Shares (in the form of both existing share certificates and new share certificates) commences . . . . .	9:00 a.m. on Thursday, 26 February
Latest time for acceptance of and payment for the Offer Shares . . . . .	4:00 p.m. on Tuesday, 10 March
Latest time for termination of the Underwriting Agreement . . . . .	4:00 p.m. on Friday, 13 March
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of Consolidated Shares . . . . .	4:00 p.m. on Wednesday, 18 March
Temporary counter for trading in board lots of 12,500 Consolidated Shares (in the form of existing share certificates) closes . . . . .	4:00 p.m. on Wednesday, 18 March
Parallel trading in Consolidated Shares (in the form of new and existing share certificates) ends . . . . .	4:00 p.m. on Wednesday, 18 March
Announcement of the results of the Open Offer . . . . .	Thursday, 19 March
Despatch of certificates for the Offer Shares . . . . .	Friday, 20 March

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## EXPECTED TIMETABLE

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Despatch of refund cheques if the Open Offer is terminated . . . . .Friday, 20 March

Last day of free exchange of existing share certificates for  
new share certificates for Consolidated Shares. . . . .Friday, 20 March

Expected first day of dealings in the Offer Shares . . . . .9:00 a.m. on  
Monday, 23 March

*All times and dates in this Prospectus refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.*

### **EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE OFFER SHARES**

The latest time for acceptance of and payment for the Offer Shares will be postponed if there is:

- a tropical cyclone warning signal number 8 or above, or
- a “black” rainstorm warning
  - (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Acceptance Date. Instead the latest time for acceptance of and payment for the Offer Shares will be extended to 5:00 p.m. on the same business day;
  - (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Acceptance Date. Instead, the latest time for acceptance of and payment for the Offer Shares will be rescheduled to 4:00 p.m. on the next Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

If the latest time for acceptance of and payment for the Offer Shares is postponed in accordance with the foregoing, the dates mentioned in the above “EXPECTED TIMETABLE” may be affected. An announcement will be made by the Company in such event.

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## TERMINATION OF THE UNDERWRITING AGREEMENT

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The Underwriter may terminate the arrangements set out in the Underwriting Agreement by notice in writing issued to the Company at any time prior to Latest Time for Termination if there occurs:

- (a) an introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof); or
- (b) any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date thereof) of a political, military, financial, economic or currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not such are of the same nature as any of the foregoing) or of the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market; or
- (c) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out;

and in the reasonable opinion of the Underwriter, such change would have a material and adverse effect on the business, financial or trading position or prospects of the Group as a whole or the success of the Open Offer or make it inadvisable or inexpedient to proceed with the Open Offer.

If, at or prior to Latest Time for Termination:

- (a) the Company commits any material breach of or omits to observe any of the obligations, undertakings, representations or warranties expressed to be assumed by it under the Underwriting Agreement which breach or omission will have a material and adverse effect on its business, financial or trading position; or
- (b) the Underwriter shall receive notification pursuant to relevant clauses of the Underwriting Agreement, or shall otherwise become aware of, the fact that any of the representations or warranties of the Company contained in the Underwriting Agreement was, when given, untrue or inaccurate or would be untrue or inaccurate if repeated as provided in relevant clause of the Underwriting Agreement, and the Underwriter shall, in its reasonable opinion, determine that any such untrue representation or warranty represents or is likely to represent a material adverse change in the business, financial or trading position or prospects of the Group taken as a whole or is otherwise likely to have a materially prejudicial effect on the Open Offer; or
- (c) the Company shall, after any matter or event referred to relevant clause of the Underwriting Agreement has occurred or come to the Underwriter's attention, fail promptly to send out any announcement or circular (after the despatch of the Prospectus Documents), in such manner (and as appropriate with such contents) as the Underwriter may reasonably request for the purpose of preventing the creation of a false market in the securities of the Company;

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## **TERMINATION OF THE UNDERWRITING AGREEMENT**

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the Underwriter shall be entitled (but not bound) by notice in writing issued by the Underwriter to the Company to elect to treat such matter or event as releasing and discharging the Underwriter from its obligations under the Underwriting Agreement.

Upon the giving of such notice by the Underwriter pursuant to the Underwriting Agreement, all obligations of the Underwriter thereunder shall cease and determine and none of the parties thereto shall have any claim against the other parties in respect of any matter or thing arising out of or in connection with the Underwriting Agreement provided that the Company shall remain liable to pay such fees and expenses pursuant to the Underwriting Agreement.

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## DEFINITIONS

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*In this Prospectus, unless the context requires otherwise, the following expressions shall have the following meanings:*

“Acceptance Date”	10 March 2015 (or such other date as the Company and the Underwriter may agree in writing) as the latest date for acceptance of, and payment for, the Offer Shares
“Announcements”	the announcements of the Company dated 15 December 2014 and 12 January 2015 respectively relating to, among other things, the proposed Share Consolidation, the proposed Change in Board Lot Size, the proposed Open Offer and connected transaction in relation to the Underwritten Shares Issue
“Application Form(s)”	the application form(s) to accompany this Prospectus for use by the Qualifying Shareholders to apply for all or part of their assured entitlements under the Open Offer
“Articles”	the articles of association of the Company (as amended from time to time)
“associate(s)”	has the meaning as ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the change in board lot size of the Shares for trading on the Stock Exchange from 125,000 Shares to 50,000 Consolidated Shares which became effective on 10 February 2015
“Circular”	circular of the Company dated 23 January 2015 in relation to, among other things, the Open Offer

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## DEFINITIONS

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“Company”	Unity Investments Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on Main Board of the Stock Exchange
“connected person”	has the meaning as ascribed thereto under the Listing Rules
“Consolidated Share(s)”	Share(s) of par value of HK\$0.02 each in the issued share capital of the Company upon completion of the Share Consolidation which became effective on 10 February 2015
“controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Custodian”	Chong Hing Bank Limited (formerly known as Liu Chong Hing Bank Limited), the custodian appointed by the Company
“Custodian Agreement”	the custodian agreement dated 8 November 2005 entered into between the Company and the Custodian
“Director(s)”	director(s) of the Company
“EA Absence”	absence of excess application for the Offer Shares under the Open Offer
“EGM”	the extraordinary general meeting of the Company convened at 11:00 a.m. on 9 February 2015 for approving the proposed Share Consolidation, the proposed Open Offer and the Underwritten Shares Issue
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Shareholder(s)”	any Shareholders other than the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates



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## DEFINITIONS

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“Independent Third Parties”	any person who himself is, and (in the case of corporate entity) its ultimate beneficial owners are, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, third parties independent of the Company and its connected persons
“Investment Manager” or “CES”	China Everbright Securities (HK) Limited, a company incorporated in Hong Kong, the investment manager appointed by the Company
“Last Trading Day”	15 December 2014, being the date of the Underwriting Agreement
“Latest Practicable Date”	16 February 2015, being the latest practicable date before the printing of this Prospectus for the purpose of ascertaining certain information contained herein
“Latest Time for Termination”	4:00 p.m. on 13 March 2015, being the third Business Day following the Acceptance Date (or such other time or date as the Underwriter and the Company may agree in writing) as the day for settlement of the Open Offer
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Memorandum”	the memorandum of association of the Company
“Net Asset Value”	the net asset value of the Company calculated in accordance with the provisions of the Articles
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) to whom the Directors, based on legal opinion(s) provided by the legal adviser(s) to the Company, consider it necessary or expedient not to offer the Open Offer on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Offer Share(s)”	2,328,422,408 Consolidated Share(s) to be issued and allotted under the Open Offer

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## DEFINITIONS

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“Open Offer”	the proposed issue of four (4) Offer Shares for every one (1) Consolidated Share in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company as at the close of the business on the Record Date and whose address(es) as shown on such register is/are outside Hong Kong
“Posting Date”	24 February 2015 or such other date as the Underwriter may agree in writing with the Company, as the date of despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus for information only to the Non-Qualifying Shareholders
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus to be despatched to the Shareholders on the Posting Date containing details of the Open Offer in such form as may be agreed between the Company and the Underwriter
“Prospectus Documents”	the Prospectus and the Application Form(s)
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) is/are registered on the register of the members of the Company on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	23 February 2015, as the date by reference to which entitlements to the Open Offer were determined
“Registrar”	the share registrar of the Company in Hong Kong, being Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the issued and unissued capital of the Company, the par value of which being of HK\$0.002 each prior to the Share Consolidation becoming effective on 10 February 2015

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## DEFINITIONS

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“Share Consolidation”	the consolidation of every ten (10) Shares of par value of HK\$0.002 each into one (1) Consolidated Shares of par value of HK\$0.02 each which was effective on 10 February 2015
“Shareholder(s)”	the holder(s) of Shares or Consolidated Shares, as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.16 per Offer Share with nominal value of HK\$0.02 each
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Underwriter”	Enerchine Securities Limited, a licensed corporation to carry on businesses in type 1 (dealing in securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Underwriting Agreement”	the underwriting agreement dated 15 December 2014 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer
“Underwritten Shares”	a maximum of 2,328,422,408 Offer Shares being underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“Underwritten Shares Issue”	allotment and issue of the Offer Shares to the Underwriter in accordance with the Underwriting Agreement
“%” or “per cent”	percentage or per centum

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## LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. NG Chi Hoi

*(Chairman and Chief Executive Offer)*

Ms. SHUM Kit Lan Anita

*Independent Non-executive Directors:*

Mr. HUNG Cho Sing

Mr. CHAN Yik Pun

Ms. CHUNG Fai Chun

*Registered office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and*

*Principal place of business in Hong Kong:*

Unit 1A, Edmund's Mansion

233-235 Fa Yuen Street, Kowloon

Hong Kong

24 February 2015

*To the Shareholders*

Dear Sir or Madam,

**OPEN OFFER ON THE BASIS OF  
FOUR OFFER SHARES FOR EVERY ONE CONSOLIDATED SHARE  
HELD ON THE RECORD DATE AT HK\$0.16 PER OFFER SHARE**

### INTRODUCTION

Reference is made to the Announcements and the Circular in relation to, among other things, the Open Offer.

At the EGM held on 9 February 2015, the necessary resolution approving, among other things, the Open Offer, was duly passed by the Independent Shareholders by way of poll.

The purpose of this Prospectus is to provide you with further information of the Open Offer including information on dealings in and application for the Offer Shares, and certain financial and other information of the Group.

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## LETTER FROM THE BOARD

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### THE OPEN OFFER

#### Issue statistics

Basis of the Open Offer:	Four (4) Offer Shares for every one (1) Consolidated Share held on the Record Date
Subscription Price:	HK\$0.16 per Offer Share
Number of Consolidated Shares in issue as at the Latest Practicable Date:	582,105,602 Consolidated Shares
Number of Offer Shares:	2,328,422,408 Offer Shares
Aggregate nominal value of the Offer Shares:	HK\$46,568,448.16

As at the Latest Practicable Date, the Company has no other derivatives, outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Consolidated Shares.

The Open Offer is fully underwritten by the Underwriter, who shall ensure that the Company will maintain the minimum public float requirement in compliance with Rule 8.08 of the Listing Rules. The terms of the Underwriting Agreement are agreed after arm's length negotiation between the Company and the Underwriter.

#### The Offer Shares

Assuming no further issue of new Consolidated Shares and/or repurchase of Consolidated Shares on or before the Record Date, 2,328,422,408 Offer Shares will be issued and allotted representing approximately 400% of the issued share capital of the Company as at the Latest Practicable Date and approximately 80% of the issued share capital of the Company as enlarged by the Offer Shares.

#### Subscription Price

The Subscription Price of HK\$0.16 per Offer Share will be payable in full upon application by a Qualifying Shareholder. The Subscription Price represents:

- (a) a discount of approximately 78.08% to the closing price of HK\$0.730 per Consolidated Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Share Consolidation;
- (b) a discount of approximately 77.21% to the average closing price of approximately HK\$0.702 per Consolidated Share for the last 5 consecutive trading days as quoted on the Stock Exchange up to and including the Last Trading Day and adjusted for the effect of the Share Consolidation;

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## LETTER FROM THE BOARD

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- (c) a discount of approximately 78.23% to the average closing price of approximately HK\$0.735 per Consolidated Share for the last 10 consecutive trading days as quoted on the Stock Exchange up to and including the Last Trading Day and adjusted for the effect of the Share Consolidation;
- (d) a discount of approximately 41.61% to the theoretical ex-entitlement price of approximately HK\$0.274 per Consolidated Share based on the closing price of HK\$0.730 per Share as quoted on the Stock exchange on the Last Trading Day and adjusted for the effect of the Share Consolidation;
- (e) a discount of approximately 82.67% to the audited consolidated net assets value per Consolidated Share of approximately HK\$0.923 as at 31 December 2013 (based on 582,105,602 Consolidated Shares in issue as at the Last Trading Day and adjusted for the effect of the Share Consolidation); and
- (f) a discount of approximately 20.79% to the closing price of HK\$0.202 per Consolidated Share as quoted on the Stock Exchange on the Latest Practicable Date.

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriter with reference to, among other things, the market price of the Shares under the prevailing market conditions and the financial position of the Group. As all Qualifying Shareholders are entitled to subscribe for the Offer Shares in the same proportion to his/her/its existing shareholding in the Company held on the Record Date, the Directors consider that the discount of the Subscription Price would encourage the Qualifying Shareholders to take up their entitlements so as to maintain their shareholdings in the Company and participate in the future growth of the Group. The Directors consider the Subscription Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The net price per Offer Share after deducting the related expenses of the Open Offer will be approximately HK\$0.155.

### **Conditions of the Open Offer**

The Open Offer is conditional upon the fulfillment of the following conditions:

- (a) the delivery to the Stock Exchange and registration by the Registrar of Companies in Hong Kong respectively on or prior to the Posting Date of one copy of each of the Prospectus Documents each duly certified in compliance with section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (and all other documents required to be attached thereto);
- (b) the posting on the Posting Date of copies of the Prospectus Documents to the Qualifying Shareholders;
- (c) compliance by the Company with all its obligations under the Underwriting Agreement in connection with the making of the Open Offer and offer of the Offer Shares pursuant to the terms specified in the Underwriting Agreement;

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## LETTER FROM THE BOARD

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- (d) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Consolidated Shares and the Offer Shares either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any and where relevant) by no later than the Business Day prior to the commencement of trading of the Offer Shares and the Listing Committee of the Stock Exchange not having withdrawn or revoked such listing and permission on or before Latest Time for Termination;
- (e) the Consolidated Shares remaining listed on the Stock Exchange at all times prior to the Latest Time for Termination and the current listing of the Consolidated Shares not having been withdrawn and no indication being received before Latest Time for Termination from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Open Offer or in connection with the terms of the Underwriting Agreement or for any other reason;
- (f) the passing of the relevant resolutions by the Shareholders approving the Share Consolidation, the Open Offer and the transactions contemplated under the Underwriting Agreement (including but not limited to the arrangements for taking up of the Underwritten Shares Issue, if any, by the Underwriter) at the EGM in accordance with the Listing Rules;
- (g) the obligations of the Underwriter under the Underwriter Agreement not being terminated by the Underwriter in accordance with the terms thereof; and
- (h) the Share Consolidation becoming effective.

In the event that the conditions precedent (other than the conditions precedent set out in paragraphs (a) to (f) and (h) which cannot be waived) have not been satisfied and/or waived in whole or in part by the Underwriter on or before the relevant dates set out therein (or if no time or date is set out, 31 March 2015) (or in each case, such later date as the Underwriter and the Company may agree), all liabilities of the parties thereto shall cease and determine and none of the parties shall have any claim against the other save that all such reasonable costs, fees and other out-of-pocket expenses (excluding sub-underwriting fees and related expenses) as have been properly incurred by the Underwriter in connection with the underwriting of the Underwritten Shares by the Underwriter (but not the underwriting commission) shall to the extent agreed by the Company be borne by the Company.

Up to the Latest Practicable Date, conditions (f) and (h) of the above have been fulfilled.

### **Status of the Offer Shares**

The Offer Shares, when allotted, issued and fully-paid, will rank *pari passu* with the Consolidated Shares then in issue in all respects. Holders of such Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid with a record date which falls on or after the date of allotment and issue of the Offer Shares. Dealings in the Offer Shares, which are registered in the register of members of the Company in Hong Kong, will be subject to payment of stamp duty and other applicable fees and charges in Hong Kong.

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## LETTER FROM THE BOARD

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### **Qualifying Shareholders**

The Open Offer will only be available to the Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders and the Prospectus, for information only, to the Non-Qualifying Shareholders.

To qualify for the Open Offer, a Shareholder must have been registered as a member of the Company at the close of business on the Record Date and must be a Qualifying Shareholder.

### **Closure of register of members**

The Company's register of members was closed from Friday, 13 February 2015 to Monday, 23 February 2015, both dates inclusive, for the purpose of, among other things, establishing entitlements to the Open Offer. No transfer of Consolidated Shares would be registered during this period.

### **Rights of Overseas Shareholders**

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

Based on the register of members of the Company, there were 261 Shareholders with registered addresses in the PRC and Macau at the close of business on the Record Date. Pursuant to Rule 13.36(2)(a) of the Listing Rules, the Board has made enquiries with its legal advisers of the PRC and Macau respectively on the laws of the PRC and Macau regarding the legal restrictions and the requirements of the relevant regulatory body in the PRC and Macau with respect to the offer of Offer Shares to such Overseas Shareholders. The Company has been advised by its legal advisers of the PRC and Macau that under the relevant laws of the PRC and Macau, there are no requirements or requisites, of whatsoever nature, or other legal restrictions in relation to the offering of the Open Offer by the Company to such Overseas Shareholders in the PRC and Macau. In view of this, the Directors have resolved to extend the Open Offer to and send the Prospectus Documents to such Overseas Shareholders. As at the Record Date, there is no Non-Qualifying Shareholder for the purpose of the Open Offer.

### **No application for excess Offer Shares**

No Qualifying Shareholder is entitled to apply for any Offer Shares which are in excess to his/her/its entitlement. Any Offer Shares not taken up by the Qualifying Shareholders, and the Offer Shares to which the Non-Qualifying Shareholders would otherwise have been entitled under the Open Offer, will not be available for subscription by other Qualifying Shareholders by way of excess application and will be taken up by the Underwriter.



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## LETTER FROM THE BOARD

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The Directors hold the view that the Open Offer allows the Qualifying Shareholders to maintain their respective pro rata shareholding in the Company and to participate in the future growth and development of the Group. After arm's length negotiations with the Underwriter, and taking into account that the related administration costs would be lowered in the absence of excess applications, the Directors consider that it is fair and reasonable and in the interests of the Company and the Shareholders as a whole not to offer any excess application to the Qualifying Shareholders.

Pursuant to the Underwriting Agreement, the Underwriter has conditionally agreed to subscribe or procure subscription for the Offer Shares which have not been taken up by the Qualifying Shareholders.

### **Fractions of Offer Shares**

The Company will not issue fractional entitlements to the Offer Shares. All fractions of Offer Shares will be aggregated and rounded down to the nearest whole number and will be sold in the market. If a premium (net of expenses) can be achieved, and the Company will retain the proceeds from such sale(s) for its benefit.

### **Share certificates for the Offer Shares**

Subject to the fulfillment of the conditions of the Open Offer, share certificates for all Offer Shares are expected to be posted to the Qualifying Shareholders who have accepted and applied for and paid for the Offer Shares on or before Friday, 20 March 2015 by ordinary post at their own risk. If the Open Offer is terminated, refund cheques are expected to be posted on or before Friday, 20 March 2015 by ordinary post to the applicants at their own risk.

### **Application for listing of the Offer Shares**

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of dealings in Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements will be made to enable the Offer Shares to be admitted into CCASS.

Dealings in the Offer Shares which are registered in the branch register of members of the Company in Hong Kong will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

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## LETTER FROM THE BOARD

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### **Taxation**

The Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the tax implications of applying for, holding, disposing of or dealing in the Offer Shares. It is emphasised that none of the Company, the Directors or any other parties involved in the Open Offer accepts responsibility of any tax effects or liabilities of holders of the Offer Shares resulting from the application for, holding, disposal of, or dealing in the Offer Shares.

### **Reasons for the Open Offer and the use of proceeds**

The Company is an investment company under Chapter 21 of the Listing Rules with the primary objective of achieving earnings in the form of medium-term to long-term capital appreciation by investing in listed and unlisted companies in Hong Kong, PRC and other main markets around the world. Owing to the nature of the Group's business which is investment, the Group requires extensive cash to grow. Unlike other companies with constant cash income from operations, investments of Chapter 21 investment companies do not necessarily generate extensive cash income. In order to increase the size of its investment portfolio, the Company will require cash in order to make new investments.

The Directors also consider that the Company is in growth stage and revealed that the Company has encountered difficulties in competing with other sizeable local and overseas investors when potential investment opportunities were identified but eventually failed to conclude a contract as a result of the Company's insufficient financial resources. As such, the Directors are of the view that increasing the fund size of the Company is more practical and efficient in terms of economies of scale when making investments. Moreover, with the proceeds of the Open Offer, it will strengthen the cash position of the Group and increase the fund size of the Company. The Directors consider that with the increase in fund size, it will enable the Group to diversify the portfolio risks of its investments by investing in different industries. Taking into account that (i) Mr. Ng Chi Hoi ("**Mr. Ng**") and Ms. Shum Kit Lan Anita ("**Ms. Shum**"), the executive Directors, who are responsible for investment decisions of the Group, possess experiences in managing funds of size larger than the existing fund size of the Group. Prior joining the Group, size of funds managed by Mr. Ng and Ms. Shum were over HK\$1 billion; and (ii) Mr. Ng and Ms. Shum are not involved in other administrative functions of the Group, hence they will have enough time to make investment or divestment decisions of the Group, the Company considers that management of the Group can manage a more sizeable investment portfolio given the proceeds from the Open Offer. Hence, it will enable the Group to be in a more advantageous position to capture more sizeable investments with attractive returns.

The Group will continue to identify and pursue investment opportunities and manage the existing investments in accordance with the Group's investment objectives and policies of achieving medium-term to long-term growth in capital appreciation with the primary objective of generating profits. When making a new investment, the Directors will make reference to many factors, including but not limited to (i) management's knowledge and investment

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experience in the industries of the potential investments; (ii) industry development and management's perception of the industry prospects of the potential investments; (iii) financial performance of relevant investee company; (iv) readily available published corporate and business information for potential listed investments; and (v) the independent valuation reports for potential unlisted investments.

Based on the financial performance of the Group for the year ended 31 December 2013 (“**Year 2013**”) and the six months ended 30 June 2014 (“**Interim Period 2014**”), net profit of the Group of approximately HK\$105.2 million and HK\$244.7 million were recorded in Year 2013 and Interim Period 2014 respectively. Since 2014, the average size of an unlisted investment made by the Group is approximately HK\$100 million. As at 30 June 2014, the Group only held cash and bank balances of approximately HK\$74.7 million, which is not sufficient for the Group to capture suitable investment opportunities which may arise any time for expanding its investment portfolios and business and continue the growing performance without additional funding.

Therefore, the Board considers that the Open Offer will enable the Group to strengthen its capital base and enhance its financial position for future strategic investments when suitable opportunities arise. Furthermore, the Open Offer will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and participate in the growth and development of the Company. Accordingly, the Directors are of the view that fund raising through the Open Offer is in the interests of the Company and the Shareholders as a whole. However, those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled should note that their shareholdings in the Company will be diluted.

In view of (i) the booming capital market performance in the last quarter of 2014 with SSE Composite Index rose by approximately 42.9%, Dow Jones Industrial Index rose by approximately 5.5% and Hang Seng Index rose by approximately 2.5%; and (ii) the Open Offer is fully underwritten by the Underwriter; and (iii) being an investment company, it is crucial for the Group to be provided with readily available funds for capturing suitable investment opportunities in a timely manner for its future investments and operation with the objective of bringing investment return to the Group and add value to the Shareholders; the Directors therefore took up the chance to conduct the fully underwritten Open Offer presented to it by the Underwriter. The Group will continue to adopt and maintain a conservative but proactive investment approach where investments will only be made when appropriate investment opportunities arise.

The Board considers it is prudent to finance the Group's long term growth by long term financing, preferably in the form of equity which will not increase the Group's finance costs. The Board has considered other fund raising alternatives before resolving to the Open Offer, including but not limited to debt financing and rights issue. Debt financing will result in additional interest burden, higher gearing ratio of the Group and subject the Group to repayment obligations. In addition, debt financing may not be achievable on favourable terms on a timely basis under volatile market conditions. Although rights issue can provide a way out

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to those Independent Shareholders who do not wish to take up the entitlements by selling nil-paid rights, rights issue will involve extra administrative work and cost for the trading arrangements in relation to the nil-paid rights. In addition, in view of the downward trend of the historical trading price of the Shares, there is uncertainty of the existence of a market to trade the nil-paid rights. In view of the above, the Board considered that raising funds by way of the Open Offer is more cost effective and efficient and beneficial to the Company and its Shareholders as a whole than a rights issue.

The estimated expense of the Open Offer is approximately HK\$10.5 million, which will be borne by the Company. Assuming all the Qualifying Shareholders taking up their entitlements under the Open Offer, the Company will receive gross proceeds of approximately HK\$372.5 million (assuming no further Consolidated Shares are issued or repurchased on or prior to the Record Date) and the estimated net proceeds of the Open Offer will be approximately HK\$362.0 million. The Company intends to apply such net proceeds from the Open Offer in the following manner:

- (a) approximately HK\$170.0 million for investment in listed securities in various industries including but not limited to natural resources, health and pharmaceutical, forestry, retail, communication technology, media, online and mobile game businesses, financial institutions, software and information technology, and manufacture of juvenile and infant products;
- (b) approximately HK\$170.0 million for investment in unlisted securities in various industries including but not limited to natural resources, health and pharmaceutical, forestry, retail, communication technology, media, online and mobile game businesses, financial institutions, software and information technology, manufacture of juvenile and infant products, and elderly care related business; and
- (c) approximately HK\$22.0 million for general working capital of the Group for the coming two years. Among the net proceeds from the Open Offer to be applied for general working capital, it will be applied for payment of employee salaries and benefits (including Directors' emoluments), operating lease charges in respect of office premises and office equipment, legal and professional fee, investment manager fee, investment relation expenses, auditor's remuneration and other operating expenses (such as travelling expenses, utilities expense and entertainment expenses, etc.).

In respect of the target industries as mentioned above where proceeds from the Open Offer may be applied for making potential investments, the Directors consider that those industries either have remarkable growth potentials and/or high profit margin. As such, the Directors believe that investments in those industries will provide the Group with satisfactory returns. Except for online and mobile game business and elderly care related business, the Company has experience in investing in other target industries. Along with the growing popularity of online and mobile game business and a number of companies which participate in this sector get listed on the Stock Exchange in recent years, the Directors are of the view

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## LETTER FROM THE BOARD

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that there are market benchmarks for the Group to make its investment decisions. Taking into account that aging population is one of the major issues of both the PRC and Hong Kong, the Directors envisage that there is growth potential for elderly care related business. The Group will conduct relevant research, analysis and/or due diligence prior making investments in this business sector.

As at the Latest Practicable Date, the Company has not identified any specific investment targets (save for the aforesaid industry sectors).

The Company is an investment company and its principal business is restricted to making investments. Accordingly, net proceeds of the Open Offer will be and can only be used for making investments and for general working capital purpose. Upon receiving proceeds from the Open Offer, the Group will continue to explore suitable investment opportunities actively. In the event that suitable investments are not identified after completion of the Open Offer, the Company will place the proceeds from the Open Offer with financial institution in Hong Kong and such proceeds will be reserved for future investments when suitable investment opportunities arise.

In assessing the fairness and reasonableness of the Open Offer, the Directors are of the view that:

- (i) the Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriter with reference to, among other things, the market price of the Shares under the prevailing market conditions and the financial position of the Group;
- (ii) in view of the historical trading performance of the Shares which demonstrated downward trend of the trading price in recent months and the uncertainties in the financial market in Hong Kong, the Directors consider under it will be difficult to attract the Qualifying Shareholders to reinvest in the Company through the Open Offer if the Subscription Price was not set at a relatively deep discount to the historical trading prices of the Shares;
- (iii) under the Open Offer, all the Qualifying Shareholders will be offered the same opportunity to maintain their proportionate interests in the Company and to participate in the growth and development of the Company. Should the Qualifying Shareholders participate in the Open Offer, they will be subscribing the Offer Shares at a lower price as compared to the historical and prevailing market price of the Shares;
- (iv) the relatively deep discount of the Subscription Price has reflected absence of excess application arrangement to Shareholders with an objective to lower the further investment cost of Shareholders to encourage them to take up their entitlements;
- (v) during the negotiation of the Underwriting Agreement, it has been indicated to the Company that a subscription price with a relatively deep discount to the closing price is necessary to induce the Underwriter to participate in the underwriting of the Underwritten Shares, which is an essential part of the Open Offer;

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- (vi) the Open Offer will enable the Group to enhance its financial position through strengthening its capital base. In addition, the Open Offer will provide the Group with readily available fund for its future development and enhance its existing operation; and
- (vii) inherent dilutive nature of open offer in general if the Qualifying Shareholders did not take up their entitlements under the Open Offer in full. However, the Qualifying Shareholders have the first right to decide whether to accept their entitlements of the Offer Shares.

### **Underwriting Agreement**

Date:	15 December 2014 (after trading hours)
Underwriter:	Enerchine Securities Limited
Number of Offer Shares underwritten:	2,328,422,408 Offer Shares
Commission:	2.5% of the aggregate Subscription Price of the maximum amount of Offer Shares agreed to be underwritten by the Underwriter as determined on the Record Date

The terms of the Underwriting Agreement are agreed after arm's length negotiation between the Company and the Underwriter by reference to the existing financial position of the Group, the size of the Open Offer, and the current and expected market condition. The Directors consider that the terms of the Underwriting Agreement are fair and reasonable so far as the Company and the Shareholders are concerned.

The Underwriter undertakes with the Company that (i) it shall use all reasonable endeavours to provide that each of the subscribers or purchasers of Underwritten Shares procured by it shall be third parties independent of, not acting in concert with and shall not be connected with the Directors, chief executive or substantial Shareholders or their respective associates; (ii) the Underwriter will enter into sub-underwriting agreements such that none of the Underwriter and the sub-underwriters (together with parties acting in concert with each of them) will hold 29.9% or more of the issued share capital of the Company immediately after the Open Offer; and (iii) the Underwriter shall and shall cause the sub-underwriters to procure independent placees to take up such number of Offer Shares as necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with immediately after the Open Offer.

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## LETTER FROM THE BOARD

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### Conditions of the Underwriting Agreement

The conditions of the Underwriting Agreement have been set out in the section headed “Open Offer – Conditions of the Open Offer” above.

### Termination of the Underwriting Agreement

Information on the termination of the Underwriting Agreement has been set out in the section headed “Termination of the Underwriting Agreement” in this Prospectus.

### FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not carried out any fund raising exercises in the past twelve months immediately preceding the Latest Practicable Date.

### SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately after completion of the Open Offer:

Shareholder	As at the Latest Practicable Date		Immediately after completion of the Open Offer assuming			
			All Offer Shares are subscribed for by the Qualifying Shareholders		None of Offer Shares are subscribed for by the Qualifying Shareholders	
	<i>Number of Consolidated Shares</i>	<i>%</i>	<i>Number of Consolidated Shares</i>	<i>%</i>	<i>Number of Consolidated Shares</i>	<i>%</i>
Underwriter, sub-underwriters and subscribers procured by them (Note 2)	–	–	–	–	2,328,422,408	80%
Public Shareholders	582,105,602	100%	2,910,528,010	100%	582,105,602	20%
Total	<u>582,105,602</u>	<u>100%</u>	<u>2,910,528,010</u>	<u>100%</u>	<u>2,910,528,010</u>	<u>100%</u>

*Notes:*

- This scenario is for illustrative purpose only and will never occur. The Underwriter hereby undertakes with the Company that (i) it shall use all reasonable endeavours to provide that each of the subscribers or purchasers of Underwritten Shares shall be third parties independent of, not acting in concert with and shall not be connected with the Directors, chief executive or substantial shareholders of the Company or their respective associates; (ii) the Underwriter will enter into sub-underwriting agreements such that none of the Underwriter and the sub-underwriters (together with parties acting in concert with each of them) will hold 29.9% or more of the issued share capital of the Company immediately after the



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## LETTER FROM THE BOARD

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Open Offer; and (iii) the Underwriter shall and shall cause the sub-underwriters to procure independent places to take up such number of Offer Shares as necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with immediately after the Open Offer.

2. On 16 December 2014, the Underwriter has entered into separate sub-underwriting agreements (collectively, the “**Sub-Underwriting Agreements**”) with 13 sub-underwriters (collectively, the “**Sub-Underwriters**”), which consist of individuals, companies and one sub-underwriting agent, HEC Securities Limited (the “**Sub-Agent**”), in respect of the sub-underwriting of all the Underwritten Shares. The Underwritten Shares (being 2,328,422,408 Offer Shares) have been sub-underwritten as to (i) approximately 26.84% (625,000,000 Offer Shares) by the Sub-Agent; and (ii) approximately 73.16% (1,703,422,408 Offer Shares) by the remaining 12 Sub-Underwriters (the “**Other Sub-Underwriters**”) in aggregate. The Sub-Agent is a licensed corporation which conducts Type 1 (dealing in securities) and Type 6 (Advising on Corporate Finance) regulated activities under the SFO as its principal business. Each of the Sub-Underwriters are Independent Third Parties. The Sub-Underwriters shall procure independent places to take up such number of Offer Shares as necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with immediately after the Open Offer. The sub-underwriting commitments of each of the Other Sub-Underwriters pursuant to the terms of their respective Sub-Underwriting Agreements are all less than 5% of the issued share capital of the Company as enlarged by the Open Offer. As such, the sub-underwriting commitments of the Other Sub-Underwriters will be counted towards the public float. Immediately after completion of the Open Offer and assuming none of Offer Shares are subscribed for by the Qualifying Shareholders, the aggregate sub-underwriting commitments of the Other Sub-Underwriters of 1,703,422,408 Offer Shares represents approximately 58.53% of the issued share capital of the Company as enlarged by the Offer Shares, which already exceeds the minimum public float requirement of 25% under the Listing Rules. As such, the Company shall fulfill the minimum public float requirement upon completion of the Open Offer.

### 5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

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 Listing Rules. The Group will remain 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 US Federal Reserve continue to taper to US\$10 billion from its quantitative easing program at each FOMC meeting during the first half of 2014, but has ended the whole program in October 2014. FOMC anticipated in its October 2014 meeting, based on its current assessment, that it likely would be appropriate to maintain the 0 to 1/4 percent target range for the federal funds rate for a considerable time following the end of its asset purchase program in October 2014, especially if projected inflation continues to run below the FOMC’s 2 percent longer-run goal, and provided that longer-term inflation expectations remain well anchored. However, if incoming information indicates faster progress toward the FOMC’s employment and inflation objectives than the FOMC expects, then increases in the target range for the federal funds rate are likely to occur sooner than currently anticipated. Conversely, if progress proves slower than expected, then increases in the target range are likely to occur later than currently anticipated.

In June 2014, the European Central Bank (“**ECB**”) continued to cut its refinancing rate by 10 basis points to a 0.15% and further to 0.05%, a historic low in September 2014 and made an unprecedented move to cut its deposit rate. From November 2014 onwards, ECB began to charge banks 0.20% to park funds at the central bank. The ECB in January 2015 announced an expanded asset purchase programme. The combined monthly asset purchases to amount to €60



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## LETTER FROM THE BOARD

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billion, which is intended to be carried out until at least September 2016. Aimed at fulfilling the ECB's price stability mandate, this programme will see the ECB add the purchase of sovereign bonds to its existing private sector asset purchase programmes in order to address the risks of a too prolonged period of low inflation.

In order to achieve the 7.5% GDP growth target in 2014, the Chinese government are implementing mini-stimulus plans in the first half of 2014, including: (i) increase railway infrastructure capex by RMB80 billion to RMB800 billion; (ii) PBoC has cut the RRR for rural commercial banks and banks with new loans to farm sector exceeded 50% of total new lending for 2014; and (iii) partial relaxation on home purchase restriction on certain provinces and cities. China's economic growth in the third quarter of 2014 beat general analysts' estimates last quarter as export demand quickened and services expanded, bolstering the government's case for avoiding broader stimulus measures. Gross domestic product rose 7.3% in the July-September period from a year earlier, the statistics bureau said in October 2014. However, it was also the slowest expansion since the first quarter of 2009.

After the end of a quantitative easing program in the last quarter of this year, there is a risk of an early rate hike in 2015, in order to tackle the hidden inflation risk in the US. Additionally, withdrawing excess liquidity may affect the US economy recovery pace and thus increase the uncertainty of investment environment in the year of 2015. Even so, further easing in Europe and continuing economic growth in China still maintain good environment for investments. Therefore, the Board will continue to monitor the market dynamics and adopt a conservative but proactive approach on investment, so as to further enhance value for the Shareholders.

### **Procedures for acceptance of and payment for the Offer Shares**

Qualifying Shareholders will find enclosed with this Prospectus, an Application Form which entitles the relevant Qualifying Shareholder(s) to accept the subscription of the number of Offer Shares shown therein. If a Qualifying Shareholder wishes to exercise his/her/its rights to accept the subscription of the Offer Shares specified in the Application Form, the Qualifying Shareholder must lodge the Application Form in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Company's Registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:00 p.m. on Tuesday, 10 March 2015. All remittances must be by cheques or cashier's orders in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to **"Unity Investments Holdings Limited – Open Offer Account"** and crossed **"ACCOUNT PAYEE ONLY"**.

It should be noted that unless the duly completed Application Form, together with the appropriate remittance, has been lodged with the Company's Registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by 4:00 p.m. on Tuesday, 10 March 2015, by the original allottee, the relevant assured allotment and all rights and entitlement thereunder will be deemed to have been declined and will be cancelled and the relevant Offer Shares will be taken up by the Underwriter.

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## LETTER FROM THE BOARD

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The Application Form contains further information regarding the procedures to be followed if Qualifying Shareholders wish to accept the whole or part of their assured allotment. All cheques and cashier's orders accompanying duly completed Application Form(s) will be presented for payment immediately upon receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of an Application Form with a cheque and/or a cashier's order, will constitute a warranty by the relevant Qualifying Shareholder that the cheque and/or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any Application Form in respect of which the accompanying cheque and/or cashier's order is dishonoured on first presentation, and, in such event, the relevant assured allotment and all rights and entitlement given pursuant to which will be deemed to have been declined and will be cancelled.

The Application Form is for use only by the person(s) named therein and is not transferable. No receipt will be issued in respect of any monies received under the Open Offer. If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms before the Latest Time for Termination, the monies received in respect of acceptance of the Offer Shares will be returned to the Qualifying Shareholders or, in case of joint holders, to the first-named person without interest by means of cheques despatched by ordinary post to the respective addresses specified in the register of members of the Company at their own risk as soon as practicable thereafter on or before Friday, 20 March 2015.

Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted.

### **Warning of the risks of dealing in Consolidated Shares**

**Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Consolidated Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

**Shareholders should note that the Consolidated Shares have been dealt in on an ex-entitlement basis commencing from Wednesday, 11 February 2015 and that dealing in Consolidated Shares will take place while the conditions to which the Underwriting Agreement is subject to remain unfulfilled. Any Shareholder or other person dealing in Consolidated Shares up to the date on which all conditions to which the Open Offer are subject to are fulfilled (which is expected to be at 4:00 p.m. on Friday, 13 March 2015), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Consolidated Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.**

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## LETTER FROM THE BOARD

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### ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Prospectus.

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

**1. THREE-YEAR FINANCIAL INFORMATION**

Financial information of the Group for the year ended 31 December 2011, the year 31 December 2012, the year ended 31 December 2013 and the six month ended 30 June 2014 are disclosed on pages 36-103 of the 2011 annual report published on 26 April 2012, pages 40-107 of the 2012 annual report published on 22 March 2013, pages 42-107 of the 2013 annual report published on 3 April 2014 and pages 4-23 of the 2014 Interim Report published on 8 September 2014 respectively, which are published on both the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the website of the Company ([www.unity913.com](http://www.unity913.com)). Please refer to the hyperlinks as stated below:

2011 annual report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2012/0426/LTN20120426854.pdf>

2012 annual report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2013/0322/LTN20130322441.pdf>

2013 annual report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0403/LTN20140403620.pdf>

2014 interim report:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0908/LTN20140908484.pdf>

**2. INDEBTEDNESS STATEMENT**

As at 31 January 2015, apart from intra-group liabilities, the Company did not have any other outstanding bank or other borrowings, mortgages, charges, debentures or other loan capital, bank overdrafts, loans or other similar indebtedness, guarantee, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase or other finance lease commitments or other contingent liabilities.

The Directors have confirmed that there has been no material change in the indebtedness and contingent liabilities of the Company since 31 January 2015 up to the Latest Practicable Date.

**3. WORKING CAPITAL**

The Directors are of the opinion that, after taking into account the existing cash and bank balances and other internal resources available and also the estimated net proceeds from the Open Offer, the Group has sufficient working capital for its present requirements and for at least 12 months from the date of this Prospectus in the absence of unforeseen circumstances.

#### 4. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2013, being the date to which the latest published audited financial statements of the Group was made up.

#### 5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

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 Listing Rules. The Group will remain 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 US Federal Reserve continue to taper to US\$10 billion from its quantitative easing program at each FOMC meeting during the first half of 2014, but has ended the whole program in October 2014. FOMC anticipated in its October 2014 meeting, based on its current assessment, that it likely would be appropriate to maintain the 0 to 1/4 percent target range for the federal funds rate for a considerable time following the end of its asset purchase program in October 2014, especially if projected inflation continues to run below the FOMC's 2 percent longer-run goal, and provided that longer-term inflation expectations remain well anchored. However, if incoming information indicates faster progress toward the FOMC's employment and inflation objectives than the FOMC expects, then increases in the target range for the federal funds rate are likely to occur sooner than currently anticipated. Conversely, if progress proves slower than expected, then increases in the target range are likely to occur later than currently anticipated.

In June 2014, the European Central Bank ("ECB") continued to cut its refinancing rate by 10 basis points to a 0.15% and further to 0.05%, a historic low in September 2014 and made an unprecedented move to cut its deposit rate. From November 2014 onwards, ECB began to charge banks 0.20% to park funds at the central bank. The ECB in January 2015 announced an expanded asset purchase programme. The combined monthly asset purchases to amount to €60 billion, which is intended to be carried out until at least September 2016. Aimed at fulfilling the ECB's price stability mandate, this programme will see the ECB add the purchase of sovereign bonds to its existing private sector asset purchase programmes in order to address the risks of a too prolonged period of low inflation.

In order to achieve the 7.5% GDP growth target in 2014, the Chinese government are implementing mini-stimulus plans in the first half of 2014, including: (i) increase railway infrastructure capex by RMB80 billion to RMB800 billion; (ii) PBoC has cut the RRR for rural commercial banks and banks with new loans to farm sector exceeded 50% of total new lending for 2014; and (iii) partial relaxation on home purchase restriction on certain provinces and cities. China's economic growth in the third quarter of 2014 beat general analysts' estimates last quarter as export demand quickened and services expanded, bolstering the government's case for avoiding broader stimulus measures. Gross domestic product rose 7.3% in the July-September period from a year earlier, the statistics bureau said in October 2014. However, it was also the slowest expansion since the first quarter of 2009.

After the end of a quantitative easing program in the last quarter of this year, there is a risk of an early rate hike in 2015, in order to tackle the hidden inflation risk in the US. Additionally, withdrawing excess liquidity may affect the US economy recovery pace and thus increase the uncertainty of investment environment in the year of 2015. Even so, further easing in Europe and continuing economic growth in China still maintain good environment for investments. Therefore, the Board will continue to monitor the market dynamics and adopt a conservative but proactive approach on investment, so as to further enhance value for the Shareholders.

**A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO OWNERS OF THE COMPANY**

The unaudited pro forma financial information of the Group (the “**Unaudited Pro Forma Financial Information**”) attributable to equity shareholders of the Company is prepared by the Directors in accordance with Rule 4.29 of the Listing Rules to illustrate the effect of the proposed Share Consolidation for every ten issued Share consolidated into one Consolidated Share and the proposed Open Offer on the basis of four Offer Shares for every one existing Share held on the Record Date at HK\$0.16 per Offer Share on the consolidated net tangible assets of the Group as if the Share Consolidation and Open Offer had been completed on 30 June 2014.

The Unaudited Pro Forma Financial Information of the Group is prepared for illustrative purposes only, based on the judgments and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group following the Share Consolidation and Open Offer as at the date to which it is made up or at any future date.

The Unaudited Pro Forma Financial Information of the Group is prepared based on the unaudited consolidated net tangible assets attributable to equity shareholders of the Company as at 30 June 2014 and adjusted to reflect the effect of the Share Consolidation and Open Offer.

	<i>Notes</i>	<i>HK\$</i>	<b>No. of Shares outstanding</b>	<b>Per Share HK\$</b>
Consolidated net tangible assets of the Group attributable to the equity shareholders of the Company as at 30 June 2014	<i>Note 1</i>	672,867,000	1,164,211,205	0.5780
Adjusted for bonus issue of four bonus shares for every one existing share (“ <b>Bonus Issue</b> ”)	<i>Note 2</i>	–	<u>4,656,844,820</u>	
Unaudited adjusted consolidated net tangible assets of the Group attributable to the equity shareholders of the Company after Bonus Issue	<i>Note 3</i>	<u>672,867,000</u>	<u>5,821,056,025</u>	0.1156

	<i>Notes</i>	<i>HK\$</i>	<b>No. of Shares outstanding</b>	<b>Per Share HK\$</b>
Effect on Share Consolidation	<i>Note 4</i>	672,867,000	582,105,602	1.1559
Estimated net proceeds from the Open Offer	<i>Note 5</i>	<u>362,048,000</u>	<u>2,328,422,408</u>	
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the equity shareholders of the Company after the completion of Share Consolidation and Open Offer	<i>Note 6</i>	<u>1,034,915,000</u>	<u>2,910,528,010</u>	<u>0.3556</u>

*Notes:*

- (1) The unaudited consolidated net tangible assets attributable to equity shareholders of the Company at 30 June 2014 is extracted from the published interim report of the Company for the period ended 30 June 2014.
- (2) Pursuant to the circular dated 12 September 2014, the Company issue bonus shares on the basis of four bonus share for every one existing share. Prior to the Bonus Issue, the number of Shares in issue was 1,164,211,205. Number of Shares in issue immediately upon the Bonus Issue is 5,821,056,025. No proceeds were received from the Bonus Issue.
- (3) The calculation of the unaudited adjusted consolidated net tangible assets attributable to owners of the Company after Bonus Issue per Share is based on the unaudited adjusted consolidated net tangible assets attributable to owners of the Company of HK\$672,867,000 after the completion of Bonus Issue and on the basis of 5,821,056,025 Shares in issue after the Bonus Issue.
- (4) The Company proposed to Share Consolidation on the basis of ten shares in issue consolidated into one Consolidated Share. Prior to the Share Consolidation, the number of Shares in issue was 5,821,056,025. Number of Shares in issue immediately upon the Share Consolidation is 582,105,602.
- (5) The estimated net proceeds from the issue of the Open Offer of HK\$362,048,000 are based on 2,328,422,408 Offer Shares to be issued at the Subscription Price of HK\$0.16 per Offer Share (on the basis of 2,328,422,408 Shares in issue as at the Latest Practicable Date) and after deduction of estimated related expenses of approximately HK\$10,500,000.
- (6) The unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company per Share after completion of the Share Consolidation and Open Offer is calculated based on the unaudited pro forma adjusted consolidated net tangible assets attributable to equity shareholders of the Company after the completion of the Share Consolidation and Open Offer of HK\$1,034,915,000 and on the basis of 2,910,528,010 Shares in issue, representing an aggregate of 5,821,056,025 Shares in issue consolidated into 582,105,602 Consolidated Shares (calculated on the basis of 5,821,056,025 Shares in issue as at the Latest Practicable Date) issued under the Share Consolidation and 2,328,422,408 Offer Shares (on the basis of four Offer Shares for every one Consolidated Shares taken up) assuming the Share Consolidation and Open Offer have been completed on 30 June 2014.
- (7) No adjustment other than those adjusted above has been made to reflect any trading results or other transactions of the Group subsequent to 30 June 2014 except for the Bonus Issue stated in note 2 above.



**B. INDEPENDENT REPORT ACCOUNTANT'S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION  
INCLUDED IN AN INVESTMENT PROSPECTUS**

The following is the text of a report received from the independent reporting accountants, Cheng & Cheng Limited, Certified Public Accountants, Hong Kong, prepared for the sole purpose of incorporation in this circular, in respect of the unaudited pro forma financial information of the Company.

**TO THE DIRECTORS OF UNITY INVESTMENTS HOLDINGS LIMITED**

We have completed our assurance engagement to report on the compilation of pro forma financial information of Unity Investments Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors for illustrative purposes only. The pro forma financial information consists of the pro forma net assets statement as at 30 June 2014 and related notes as set out in section A of Appendix II of the investment circular issued by the Company. The applicable criteria on the basis of which the directors have compiled the pro forma financial information are described in section A of Appendix II of the investment circular.

The pro forma financial information has been compiled by the directors to illustrate the impact of the Share Consolidation and Open Offer on the Group's financial position as at 30 June 2014 as if the transaction had taken place at 30 June 2014. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's financial statements for the six months ended 30 June 2014, on which an unaudited interim report has been published.

**Directors' Responsibility for the Pro Forma Financial Information**

The directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

**Reporting Accountant's Responsibilities**

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the respective dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires

that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant transaction on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction at 30 June 2014 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant’s judgment, having regard to the reporting accountant’s understanding of the nature of the Group, the transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the pro forma financial information. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and

- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,  
**Cheng & Cheng Limited**  
*Certified Public Accountants*  
**Chan Shek Chi**  
Practising Certificate Number: P05540

24 February 2015

**1. RESPONSIBILITY STATEMENT**

This Prospectus, for which the Directors and the directors of the Investment Manager collectively and individually accept full responsibility, include particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors and the directors of the Investment Manager, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

**2. SHARE CAPITAL OF THE COMPANY**

As at the Latest Practicable Date, the authorised and issued share capital of the Company were as follows:

*Authorised:*

		<i>HK\$</i>
<u>100,000,000,000</u>	Consolidated Shares of HK\$0.02 each	<u>2,000,000,000.00</u>

*Issued and fully paid or credited as fully paid:*

		<i>HK\$</i>
582,105,602	Consolidated Shares of HK\$0.02 each in issue as at the Latest Practicable Date	11,642,112.04
<u>2,328,422,408</u>	Offer Shares to be issued	<u>46,568,448.16</u>
<u>2,910,528,010</u>	Total	<u>58,210,560.20</u>

No capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under option as at the Latest Practicable Date. All the Offer Shares when allotted, issued and fully paid, will rank pari passu in all respect with each other, including, in particular, as to dividends, voting rights and capital, and with all the Consolidated Shares in issue as at the date of allotment and issue of the Open Offer.

The Offer Shares to be issued will be listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Consolidated Shares or the Offer Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, there were no arrangement under which future dividends are waived or agreed to be waived.

As at the Latest Practicable Date, the Company has no other derivatives, outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Consolidated Shares.

The issued Shares are listed on the Stock Exchange. None of the securities of the Company is listed or dealt in, and no listing or permission to deal in the securities of the Company is being or is proposed to be sought, on any other stock exchange.

### **3. DISCLOSURE OF INTERESTS**

#### **Directors' and chief executives' interests and short positions**

As at the Latest Practicable Date, none of the Directors or the chief executive of the Company had any interests or short position in the Consolidated Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (“SFO”) (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

#### **Interest of substantial shareholders**

As at the Latest Practicable Date, the Directors were not aware of any other person who had an interest or short positions in the Consolidated Shares or underlying Consolidated Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who was interested in 10% or more of the nominal value of any class of share capital, or options in respect of such capital, carrying rights to vote in all circumstances at general meetings of the Company.

### **4. OTHER INTERESTS OF THE DIRECTORS**

As at the Latest Practicable Date:

- (a) none of the Directors had any interest, either direct or indirect, in any assets which have, since 31 December 2013 (being the date to which the latest published audited accounts of the Group were made up), been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which is subsisting as at the date of this Prospectus and is significant in relation to the business of the Group.

## 5. LITIGATION

As at the Latest Practicable Date, there was no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

## 6. SERVICE CONTRACTS

Pursuant to the appointment letter dated 10 October 2014 entered into between Mr. Hung Cho Sing (“**Mr. Hung**”) and the Company, Mr. Hung was appointed as an independent non-executive Director for a fixed term of three years commencing from 10 October 2014. His appointment shall be subject to retirement by rotation and re-election at general meeting of the Company in accordance with the articles of association of the Company. Mr. Hung is entitled to a monthly director’s fee of HK\$10,000 and such remuneration is determined with reference to his responsibilities, the Company’s remuneration policy and the prevailing market condition.

Pursuant to the appointment letter dated 10 October 2014 entered into between Mr. Chan Yik Pun (“**Mr. Chan**”) and the Company, Mr. Chan was appointed as an independent non-executive Director for a fixed term of three years commencing from 10 October 2014. His appointment shall be subject to retirement by rotation and re-election at general meeting of the Company in accordance with the articles of association of the Company. Mr. Chan is entitled to a monthly director’s fee of HK\$10,000 and such remuneration is determined with reference to his responsibilities, the Company’s remuneration policy and the prevailing market condition.

Pursuant to the appointment letter dated 19 December 2014 entered into between Ms. Chung Fai Chun (“**Ms. Chung**”) and the Company, Ms. Chung was appointed as an independent non-executive Director for a fixed term of three years commencing from 19 December 2014. Her appointment shall be subject to retirement by rotation and re-election at general meeting of the Company in accordance with the articles of association of the Company. Ms. Chung is entitled to a monthly director’s fee of HK\$10,000 and such remuneration is determined with reference to her responsibilities, the Company’s remuneration policy and the prevailing market condition.

Save as disclosed in this section, as at the Latest Practicable Date, none of the Directors had entered or proposed to enter into any service agreements with any member of the Group, excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

## 7. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or controlling Shareholder or their respective close associates had any business or interest which competes or may compete with the business of the Group, or have or may have any other conflicts of interest with the Group.

## 8. MATERIAL CONTRACTS

The following contracts (being contracts not entered into in the ordinary course of business of the Group) have been entered into by the members of the Group within two years immediately preceding the date of this Prospectus and are or may be material:

- (a) the placing agreement dated 20 May 2013 entered into between the Company and Chung Nam Securities Limited relating to the placing of 38,807,040 new shares at HK\$0.69 per placing share;
- (b) the master transactions agreement in respect of investment management services entered into between the Company and EIML dated 21 March 2013;
- (c) the investment management agreement entered into between the Company and CES dated 6 January 2015; and
- (d) the Underwriting Agreement.

## 9. EXPERT AND CONSENT

The following is the name and the qualification of the professional adviser who has given opinions or advice which are contained or referred to in this document:

<b>Name</b>	<b>Qualification</b>
Cheng & Cheng Limited ("Cheng & Cheng")	Certified Public Accountants

As at the Latest Practicable Date, Cheng & Cheng had no beneficial interest in the share capital of any member of the Group nor any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group or have any interest, either directly or indirectly, in any assets which have been, since 31 December 2013, being the date to which the latest published audited consolidated accounts of the Group were made up, acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

Cheng & Cheng has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion of its report and/or its letter dated 24 February 2015 and/or references to its name and/or its advice in the form and context in which they respectively appear.

## 10. EXPENSES

The expenses in connection with the Open Offer, including underwriting commission, printing, registration, legal, accounting and financial adviser fees, are estimated to be approximately HK\$10.5 million and will be payable by the Company.

**11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE OPEN OFFER**

<b>Registered office</b>	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
<b>Head office and principal place of business in Hong Kong</b>	Unit 1A, Edmund's Mansion 233-235 Fa Yuen Street Kowloon, Hong Kong
<b>Company secretary</b>	Mr. Ong King Keung, who is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He has extensive experience in company secretarial practices in respect of listed companies.
<b>Investment Manager</b>	China Everbright Securities (HK) Limited 36/F, Far East Finance Centre 16 Harcourt Road Hong Kong
<b>Authorised representatives</b>	Mr. Ng Chi Hoi Unit 1A, Edmund's Mansion 233-235 Fa Yuen Street Kowloon, Hong Kong  Mr. Ong King Keung Unit 1A, Edmund's Mansion 233-235 Fa Yuen Street Kowloon, Hong Kong
<b>Share registrar and transfer office in Hong Kong</b>	Tricor Tengis Limited 22/F., Hopewell Centre 183 Queen's Road East Hong Kong



<b>Principal bankers</b>	The Hongkong and Shanghai Banking Corporation Limited 1 Des Voeux Road Central Hong Kong
	Chong Hing Bank Limited Chong Hing Bank Centre 24 Des Voeux Rd. Central Hong Kong
	Dah Sing Bank, Limited 36/F Dah Sing Financial Centre 108 Gloucester Road Hong Kong
<b>Auditors</b>	Mazars CPA Limited <i>Certified Public Accountants</i> 42nd Floor, Central Plaza 18 Harbour Road Wanchai Hong Kong
<b>Reporting accountants</b>	Cheng & Cheng Limited 10th Floor, Allied Kajima Building 138 Gloucester Road Wanchai Hong Kong
<b>Legal advisers to the Company in relation to the Open Offer</b>	<i>As to Hong Kong law</i> Shum & Co. Room 2801-03, 28th Floor China United Centre 28 Marble Road North Point Hong Kong
<b>Underwriter</b>	Enerchine Securities Limited 25/F China United Centre 28 Marble Road North Point Hong Kong

**12. PARTICULARS OF THE DIRECTORS****(a) Name and address of the Directors***Executive Directors*

<b>Name</b>	<b>Address</b>
Mr. Ng Chi Hoi	Unit 1A, Edmund's Mansion 233-235 Fa Yuen Street Kowloon, Hong Kong
Ms. Shum Kit Lan Anita	Unit 1A, Edmund's Mansion 233-235 Fa Yuen Street Kowloon, Hong Kong

*Independent Non-executive Directors*

<b>Name</b>	<b>Address</b>
Mr. Hung Cho Sing	Unit 1A, Edmund's Mansion 233-235 Fa Yuen Street Kowloon, Hong Kong
Mr. Chan Yik Pun	Unit 1A, Edmund's Mansion 233-235 Fa Yuen Street Kowloon, Hong Kong
Ms. Chung Fai Chun	Unit 1A, Edmund's Mansion 233-235 Fa Yuen Street Kowloon, Hong Kong

**(b) Profile of the Directors***Executive Directors*

**Mr. Ng Chi Hoi**, aged 44, holds a Master degree of Finance of Hong Kong Polytechnic University and a Bachelor degree of Business Administration of Hong Kong Baptist University. Mr. Ng is currently a licensed person to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO. Mr. Ng has over 18 years of experience in the financial services industry, and has joined the Company as an executive Director on 3 December 2014. He is also directors of subsidiaries of the Company, and a responsible officer of each of KVB Kunlun Securities (HK) Limited and KVB Kunlun Asset Management (HK) Limited (collectively "**KVB Kunlun**"). Prior to

joining KVB Kunlun, he was an executive director of Pureheart Capital Asia Limited. Mr. Ng was appointed as the Chairman, Chief Executive Officer and an authorised representative of the Company on 19 December 2014.

**Ms. Shum Kit Lan Anita**, aged 53, is a director and a responsible officer of Chariot Capital Management Limited (“**CCML**”). She is currently a licensed person to carry out type 9 (asset management) regulated activities under the SFO. Ms. Shum has a wealth of working experience in securities advisory, corporate finance, corporate management and fund management. Prior to joining CCML, she worked in HT Capital Management Limited for thirteen years as a senior manager and a responsible officer. Ms. Shum was appointed as an executive Director on 6 November 2014.

*Independent Non-Executive Directors*

**Mr. Hung Cho Sing**, aged 74, has over 30 years of experience in the film distribution industry and founded Delon International Film Corporation in 1970. Mr. HUNG has been the chairman of Hong Kong, Kowloon and New Territories Motion Picture Industry Association Limited since 1991 and was the chairman of Hong Kong Film Awards Association Limited from 1993 to 1995. Mr. Hung was appointed by the Hong Kong Special Administrative Region (“**HKSAR**”) Government as a member of the Hong Kong Film Development Council from 2007 to 31 March 2013. Mr. Hung was also appointed as a consultant of the China Film Association since 2013. Mr. Hung is also a member of HKSAR Election Committee and a vice chairman of the Cultural Profession Committee of the Guangdong, Hong Kong and Macau Cooperation Promotion Council (廣東省粵港澳合作促進會文化專業委員會副主任委員). Mr. Hung was awarded the Bronze Bauhinia Star (BBS) by the HKSAR Government in 2005 in recognition of his contribution to the Hong Kong Film industry. Mr. Hung has been appointed by the HKSAR Government as member of the Working Group on Manufacturing Industries, Innovative Technology, and Cultural and Creative Industries under the Economic Development Commission on an ad personam basis for a term of two years with effect from 17 January 2013. Mr. Hung has been appointed as an executive director of Universe International Holdings Limited (stock code: 1046) in October 2013. He is also an independent non-executive director of Freeman Financial Corporation Limited (stock code: 279), China Star Entertainment Limited (stock code: 326) and Mascotte Holdings Limited (stock code: 136). Mr. HUNG was a non-executive director of Capital VC Limited (stock code: 2324) from September 2011 to January 2014. All these companies are listed on the main board of the Stock Exchange. Mr. Hung was appointed as independent non-executive Director on 10 October 2014.

**Mr. Chan Yik Pun**, aged 33, is currently working in a sole proprietorship, which engages in the provision of accounting consultancy services to private entities. He holds a Bachelor Degree of Business (Major in Accounting) awarded by Monash University in 2004. Mr. Chan is a member of the Hong Kong Institute of

Certified Public Accountants. Mr. Chan has over 9 years of experience in accounting and auditing field. Mr. Chan was appointed as independent non-executive Director on 10 October 2014. He has been appointed as an independent non-executive director of Chaoda Modern Agriculture (Holdings) Limited on 5 January 2015.

**Ms. Chung Fai Chun**, aged 49, is currently a deputy general manager of a watchcase factory. She has over 15 years' ample experience in the watchcase production industry, and has a wealth of experience in marketing, business operation and management. Ms. Chung was appointed as independent non-executive Director on 19 December 2014.

### **13. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES**

A copy of each of the Prospectus Documents and the consent letter referred to in the paragraph headed "Expert and Consent" in this appendix have been registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

### **14. BINDING EFFECT**

The Prospectus Documents and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong. When an acceptance or application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), so far as applicable.

### **15. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours (i.e. from 9:30 a.m. to 6:00 p.m. on Monday to Friday) at the principal place of business of the Company in Hong Kong at Unit 1A, Edmund's Mansion, 233-235 Fa Yuen Street, Kowloon, Hong Kong from 24 February 2015, the date of this Prospectus up to and including 9 March 2015:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the year ended 31 December 2012 and 31 December 2013 of the Company;
- (c) the interim report of the Company for the six months ended 30 June 2014;
- (d) the accountants' report on the unaudited pro forma financial information of the Group set out in Appendix II to this Prospectus;

- (e) the letter of consent referred to under the paragraph headed “Expert and Consent” in this Appendix;
- (f) the material contracts disclosed in the paragraph under the heading “Material Contracts” in this Appendix;
- (g) the service contracts disclosed in the paragraph under the heading “Service Contracts” in this Appendix;
- (h) the Circular; and
- (i) this Prospectus.

**16. MISCELLANEOUS**

- (a) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (b) In case of inconsistencies, the English text of this prospectus shall prevail over the Chinese text.

This appendix serves as an additional disclosure requirement pursuant to Rule 21.09 of the Listing Rules in connection with the listing document of investment companies. This appendix includes particulars given in compliance with the Listing Rules for the purpose of giving information to the public with regard to the Company. The Directors and the directors of the Investment Manager collectively and individually accept full responsibility for the accuracy of the information contained in this appendix and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

**INFORMATION ON THE INVESTMENT MANAGER AND THE CUSTODIAN**

<b>Investment Manager</b>	China Everbright Securities (HK) Limited 36/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
<b>Directors of the Investment Manager</b>	Cheung Pang To 36/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
	So Hin Pong 36/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
	Li Bingtao 36/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
	Ho Chi Ho 36/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
<b>Custodian</b>	Chong Hing Bank Limited Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong

**The Investment Manager**

CES is a company incorporated in Hong Kong on 4 January 1991 with limited liability and is a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO.

The biographical details of the directors of the Investment Manager are set out as follows:

***Mr. Cheung Pang To***

Mr. Cheung Pang To (“**Mr. Cheung**”) is the managing director and one of the responsible officers of the CES. Mr. Cheung is currently licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO accredited to CES. He is also licensed to carry out Type 2 (dealing in futures contracts), Type 3 (leveraged foreign exchange trading), Type 5 (advising on futures contracts) and Type 9 (asset management) regulated activities accredited to China Everbright Forex & Futures (HK) Limited.

Mr. Cheung has over twenty years of experience in the finance and investment industry. In the past, he has been working in dealing, marketing and portfolio management and operations and has also been actively involved in the investment management industry for the last ten years.

***Mr. So Hin Pong***

Mr. So Hin Pong (“**Mr. So**”) is a director and one of the responsible officers of CES. Mr. So is currently licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO accredited to CES. He is also licensed to carry out Type 2 (dealing in futures contracts), Type 3 (leveraged foreign exchange trading), Type 5 (advising on futures contracts) and Type 9 (asset management) regulated activities accredited to China Everbright Forex & Futures (HK) Limited, and Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities accredited to China Everbright Securities Asset Management Limited.

Mr. So has over twenty years of experience in the finance and investment industry. In the past, he has been working in dealing, marketing and portfolio management and operations and has also been actively involved in the investment management industry for the last ten years.

***Mr. Li Bingtao***

Mr. Li Bingtao (“**Mr. Li**”) is the Director of CES. He joined CES on 13 October 2014. Mr. Li holds several degrees including a Master of Arts from New York University. Mr. Li started his financial career at Lianhe Securities in 2001, and worked for

Washington Mutual and JP Morgan Chase Bank later on. From April 2009 to March 2014, Mr. Li served at China Securities Regulation Committee, and joined Everbright Securities Company Limited in April 2014. Since September 2014, Mr. Li has been the Executive Director and Chief Executive Officer of China Everbright Securities International Limited. Mr. Li also holds the CFA and FRM designation.

***Mr. Ho Chi Ho***

Mr. Ho Chi Ho (“**Mr. Ho**”) is the Director of China Everbright Capital Limited and CES. He joined China Everbright Capital Limited on 20 June 2005. Mr. Ho graduated from the Chinese University of Hong Kong in 1996 with a bachelor degree in Business Administration. Mr. Ho has been in the corporate finance industry for over 16 years. Mr. Ho is the Principal and the Responsible Officer for carrying on types 1, 4, 6 regulated activities pursuant to the SFO of China Everbright Capital Limited and CES. Prior to joining China Everbright Capital Limited, Mr. Ho worked for Guotai Junan Capital Limited and First Shanghai Capital Limited as their senior management.

**The Custodian**

Chong Hing Bank Limited (formerly known as Liu Chong Hing Bank Limited) was appointed as the custodian in relation to the investments which the Company may from time to time deposit with the Custodian.

The Directors confirm that none of the directors of the investment company, the management company, any investment adviser or any distribution company, or any associate of any of those persons, is or will become entitled to receive any part of any brokerage charged to the investment company, or any reallowance of other types on purchases charged to the investment company.

**RISKS RELATING TO THE COMPANY**

The Company is an investment company and its funds will be invested in listed and unlisted companies in Hong Kong, the PRC and other main markets around the world. These investments will be subject to market fluctuations and to the risks inherent in all investments. Investors should also be aware that the Company’s income and its Net Asset Value are likely to be adversely affected by external factors beyond the control of the Company. As a result, income of the fund and its Net Asset Value may therefore go down as well as go up, subject to the prevailing market conditions.

**INVESTMENT OBJECTIVES AND POLICIES**

The Company is an investment company incorporated in the Cayman Islands with the primary objective of achieving medium-term to long-term capital appreciation by investing in listed and unlisted companies in Hong Kong, the PRC and other main markets around the world.



The Company has adopted the following investment policies:

- (a) Investments will normally be made in the form of equity related securities and debt instruments in listed and unlisted companies engaged in different industries including (but not limited to) the manufacturing, services, property, telecommunications, technology and infrastructure sectors to maintain a balance in the Company's exposure to different industry sectors in order to minimise the impact on the Company of any downturn in any particular sector.
- (b) Investments will normally be made in enterprises which are established in their respective fields and in which the Board believes that there are prospects of long-term growth. In particular, the Company will seek to identify businesses with a potential of profit growth, strong management, high level of technical expertise and research and development capabilities as well as management commitment to the long-term growth. However, the Company will also consider investments in companies or other entities which are considered by the Board and the Investment Manager to be in special or recovery situations.
- (c) Where possible, the Board and the Investment Manager would seek to identify investments where there is a certain degree of synergy with other investee companies and where cooperation between such companies would be of mutual benefit to each other.
- (d) The Company's investments are intended to identify medium-term or long-term capital appreciation and there is no present intention to realise any of such investments in any specific period or by any specific date. Nevertheless, the Board will from time to time realise investments where they believe that to do so would be in the best interests of the Company or where the terms on which such realization can be achieved are believed by the Board to be particularly favourable to the Company.

There are no requirements under the Listing Rules and/or the Articles that any alterations to the investment objectives and policies of the Company require Shareholders' approval except that Chapter 21 of the Listing Rules require, inter alia, that the investment objectives and policies as set out in the listing document at the time of listing will not be changed for at least 3 years without the consent of shareholders of the investment company in general meeting. Therefore, the investment objectives and policies of the Company as stated above may be altered without Shareholders' approval. As at the Latest Practicable Date, the Board has no present intention to change the stated investment objectives and policies above.

**INVESTMENT RESTRICTIONS**

Under the Articles and the Listing Rules relating to the listing of investment companies, certain restrictions on investments are imposed on the Company. In part to meet such restriction, the Board has resolved that the Company may not:

- (a) either on its own or in conjunction with any connected person, make legal, or effective, management control of any company or other entity in which it invests or owns or controls more than 30% (or such lower percentage as may from time to time be specified in The Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) of the voting rights in such company or entity, except in relation to wholly-owned subsidiaries of the Company.
- (b) invest in any company or entity other than wholly-owned subsidiaries of the Company if such investment will result in more than 20% of the Net Asset Value being invested in such company or entity as at the date the investment is made.
- (c) buy or sell commodities, commodity contracts or precious metals, except that it may purchase and sell futures contracts on stock indices and securities which are secured by commodities or precious metal.
- (d) invest more than 20% of the Company's assets outside Hong Kong and the PRC to the extent of contravening its primary objective of achieving medium-term or long-term capital appreciation by investing in listed and unlisted companies in Hong Kong and the PRC.

The Company has to comply with investment restrictions 1 and 2 above, in accordance with its Articles, and at all times while it remains listed as an investment company under Chapter 21 of the Listing Rules.

The investment restrictions set out in items 3 and 4 above can only be changed subject to the approval of Shareholders by way of an ordinary resolution. The Board has no present intention to change any of the abovementioned investment restrictions.

As the Latest Practicable Date, the Company's investment portfolio does not consist of investments in options, warrants, commodities, futures contracts and precious metals. Save for the unlisted securities, the Company has no present intention to invest in options, warrants, commodities, futures contracts and precious metals, it may do so in the future should suitable opportunities or market condition arise.

**DISTRIBUTION POLICY**

It is the Board's intention to distribute any excess balance by way of dividend to the extent permitted by law, the Memorandum and the Articles. Dividends will only be paid to the extent that they are covered by net income received from underlying investments. Distribution will be made annually after the annual accounts of the Company are approved by the Shareholders but interim distribution may be made from time to time to Shareholders as appear to the Board to be justified by the position of the Company. Distributions will be made in Hong Kong dollars.

**FEES AND EXPENSES**

The Company will pay the fees of the Investment Manager and the Custodian, as described below. In addition, the Company will pay certain other costs and expenses incurred in its operation, including taxes, expenses for legal, auditing and consulting services, promotional expenses, registration fees and other expenses due to supervisory authorities in various jurisdictions, insurance, interest and brokerage cost.

**Investment management fees**

The Company currently pays the Investment Manager a monthly investment management fee payable at HK\$50,000 per month from 7 January 2015 up to 6 January 2018.

**Custodian fees**

Pursuant to the Custodian Agreement, the Company will pay the Custodian such reasonable fees, costs and expenses in respect of the custodian account as may from time to time be prescribed by the Custodian. All fees, costs and expenses of the Custodian shall accrue on a daily basis. The Company also agrees to pay all costs, taxes, expenses and fees (including any applicable fees of any clearing house) in connection with or arising out of the operation of the custodian account. The Custodian shall be entitled to charge interest (both before and after judgment) on any amount owed to the Custodian by the Company at 6% above the prime rate from time to time of the Custodian.

**TAXATION**

The taxation of income and capital gains of the Company are subject to the fiscal law and practice of Hong Kong. Prospective investors should consult their own professional advisers on the tax implications of investing, holding or disposing of Consolidated Shares under the laws of the jurisdiction in which they are liable to taxation.

**BORROWING POWER**

Pursuant to the provision of the Articles, the Company may exercise its borrowing power to borrow up to an aggregate principal amount for the time being remaining discharged of all money borrowed by the Group not exceeding 50% of the Net Asset Value. The Group's assets may be charged or pledged as security for borrowing.

**FOREIGN CURRENCY MANAGEMENT AND EXCHANGE CONTROL**

As a result of overseas investments denominated in Singapore Dollars (“SG\$”) and Renminbi (“RMB”), the Group is exposed to the fluctuation in the exchange rates of HK\$/SG\$ and HK\$/RMB. The Group's exposure to foreign exchange risk was not significant, therefore, no financial instrument was made to hedge such exposures.

## INVESTMENT PORTFOLIO

The following are the details of the ten largest investments of the Group as at 30 June 2014, which include all listed investments and all other investments with a value of more than 5% of the Group's gross assets as at 30 June 2014. Save for the investments disclosed herein, there are no other listed investments and all other investments with a value of more than 5% of the Company's gross assets as at 30 June 2014.

<i>Note</i>	<i>Name of investee company</i>	<i>Number of shares held</i>	<i>Effective shareholding interest</i>	<i>Cost as at 30 June 2014</i>	<i>Market value/ Fair value as at 30 June 2014</i>	<i>Accumulated unrealised holding gain (loss) arising on revaluation</i>	<i>Dividends received/ receivable during the period</i>	<i>Classification of financial assets</i>
				<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	
(i)	Keen Champ Investments Limited	16	16.00%	128,000,000	128,000,000	-	-	Available-for-sale
(ii)	Heritage International Holdings Limited	140,363,803	4.97%	66,042,380	95,447,386	29,405,006	-	Held for trading
(iii)	Starfame Investments Limited	297	29.70%	90,000,000	90,000,000	-	-	Available-for-sale
(iv)	Willie International Holdings Limited	55,000,000	7.31%	11,550,000	66,000,000	54,450,000	-	Available-for-sale
(v)	Forefront Group Limited	35,517,382	4.91%	26,540,194	36,582,903	10,042,709	-	Held for trading
(vi)	Poly Capital Holdings Limited	123,123,965	3.60%	28,777,227	34,474,710	5,697,483	-	Held for trading
(vii)	Mascotte Holdings Limited	325,792,250	1.34%	32,679,479	32,579,225	(100,254)	-	Available-for-sale
(viii)	Rising Development Holdings Limited	4,698,000	0.32%	47,635,402	21,094,020	(26,541,382)	-	Available-for-sale
(ix)	Gain All Investments Limited	1,990	15.31%	19,900,000	19,900,000	-	-	Available-for-sale
(x)	Pacific Century Regional Developments Limited	11,000,000	0.36%	21,121,548	17,282,727	(3,838,821)	-	Held for trading

*Notes:*

- (i) Keen Champ Investments Limited (“**Keen Champ**”) is a private company incorporated in British Virgin Islands and is principally engaged in investment holding and management of the forestland. For the financial year ended 31 March 2014, the unaudited consolidated loss attributable to equity holders of Keen Champ was HK\$773,425. As at 31 March 2014, its unaudited consolidated net liabilities attributable to the equity holders was HK\$1,965,916. As at 30 June 2014, the recoverable amount of Keen Champ has been assessed by the Directors with reference to a valuation report on the fair value of the biological assets issued by independent professional valuer before the investment made in April 2014.
- (ii) Heritage International Holdings Limited (“**Heritage International**”) was incorporated in Bermuda and its shares are listed on the Main Board of the Stock Exchange (stock code: 412). Heritage International is principally engaged in property investment, investments in securities, money lending, investment holding, Chinese medicine clinic operations and management of the forestlands. For the financial year ended 31 March 2014, the audited consolidated profit attributable to equity holders of Heritage International was HK\$281,025,000 with basic and diluted earnings per share of HK\$0.11. As at 31 March 2014, its audited consolidated net assets attributable to the equity holders was HK\$1,509,074,000.
- (iii) Starfame Investments Limited (“**Starfame**”) is a private company incorporated in British Virgin Islands and is principally engaged in investment holding and wholesale and distribution of products encompassing various aspects of production and livelihood. For the financial year ended 31 December 2013, the unaudited consolidated profit attributable to equity holders of Starfame was approximately HK\$28.9 million. As at 31 March 2014, its unaudited consolidated net assets attributable to the equity holders was approximately HK\$81.9 million.
- (iv) Willie International Holdings Limited (“**Willie International**”) was incorporated in Hong Kong and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 273). Willie International is principally engaged in trading of investments, provision of financial services, property investment and investment holding. For the six months ended 30 June 2014, the unaudited consolidated profit attributable to equity holders of Willie International was HK\$454,627,000 with basic and diluted earnings per share of HK\$0.88. As at 30 June 2014, its unaudited consolidated net assets attributable to the equity holders was HK\$2,268,831,000.
- (v) Forefront Group Limited (“**Forefront**”) was incorporated in the Cayman Islands and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 885). Forefront is principally engaged in provision of logistic services in Hong Kong and the PRC, properties investment, securities trading and money lending business. For the six months ended 30 June 2014, the unaudited consolidated profit attributable to equity holders of Forefront was HK\$593,552,000 with basic and diluted earnings per share of HK\$0.82. As at 30 June 2014, its unaudited consolidated net assets attributable to the equity holders was HK\$1,533,842,000.
- (vi) Poly Capital Holdings Limited (“**Poly Capital**”) was incorporated in Bermuda and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1141). Poly Capital is principally engaged in supply and procurement of commodities, provision of finance and securities investment. For the financial year ended 31 March 2014, the audited consolidated profit attributable to equity holders of Poly Capital was K\$417,083,000 with basic and diluted earnings per share of HK13.85 cents and HK13.71 cents respectively. As at 31 March 2014, its audited consolidated net assets attributable to the equity holders was HK\$1,593,425,000.
- (vii) Mascotte Holdings Limited (“**Mascotte**”) was incorporated in Bermuda and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 136). Mascotte is principally engaged in manufacturing of solar grade polycrystalline silicon, investment and trading of securities, loan financing, holding properties for rental and capital appreciation, manufacturing and sale of accessories for photographic products. For the financial year ended 31 March 2014, the audited consolidated loss attributable to equity holders of Mascotte was HK\$545,696,000 with basic and diluted loss per share of HK\$0.04. As at 31 March 2014, its audited consolidated net liabilities attributable to the equity holders was HK\$99,927,000.

- (viii) Rising Development Holdings Limited (“**Rising Development**”) was incorporated in Bermuda and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1004). Rising Development is principally engaged in share investment, trading of fur garment and skins and business of mining natural resources and solar energy. For the financial year ended 31 March 2014, the audited consolidated loss attributable to equity holders of Rising Development was HK\$118,084,000 with basic and diluted loss per share of HK8.44 cents. As at 31 March 2014, its audited consolidated net assets attributable to the equity holders was HK\$780,607,000.
- (ix) Gain All Investments Limited (“**Gain All**”) is a private company incorporated in British Virgin Islands and is principally engaged in investment holding. For the financial period ended 31 March 2013, the audited net loss attributable to equity holders of Gain All was HK\$137,124. As at 31 March 2013, its audited net liabilities attributable to the equity holders was HK\$137,116. As at 30 June 2014, the recoverable amount of Gain All has been assessed by the Directors with reference to latest available financial information of Gain All as at 31 March 2014.
- (x) Pacific Century Regional Developments Limited (“**Pacific Century**”) is listed on the Singapore Exchange Securities Trading Limited (SGX: P15) and is incorporated and domiciled in Singapore. Pacific Century is principally engaged in investment holding, business management and consultancy services. For the six months ended 30 June 2014, the unaudited consolidated profit attributable to equity holders of Pacific Century was SG\$36,313,000 with basic and diluted earnings per share of SG1.193 cents. As at 30 June 2014, its unaudited consolidated net assets attributable to the equity holders was SG\$854,368,000.

Pursuant to the requirements stipulated in Rule 21.12 of the Listing Rules, the Company did not make any provision for diminution in value of investments of the Group as at 30 June 2014.