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)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

The board of directors (the "**Board**") of Unity Investments Holdings Limited (the "**Company**") hereby announces the consolidated results of the Company and its subsidiaries (hereinafter collectively referred to as the "**Group**") for the year ended 31 December 2019 (the "**Year**") with comparative figures for the corresponding period in 2018 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2019

	Notes	**2019** **HK$'000**	2018 *HK$'000*
Gross proceeds from disposal of trading securities		**41,178**	27,099
Loss from the sale of listed equity investments at fair value through profit or loss ("FVPL")		**(101,631)**	(15,402)
Revenue	*4*	**353**	46
Changes in fair value of listed equity investments at FVPL		**74,578**	(40,876)
Changes in fair value of unlisted equity investments at FVPL		**(32,932)**	(58,743)
Impairment of financial assets at amortised costs, net		**(2,460)**	195
Other operating expenses		**(8,375)**	(6,347)
Finance costs	*6*	**(170)**	(2,143)
Loss before tax	*6*	**(70,637)**	(123,270)
Income tax	*7*	**–**	–
Loss and total comprehensive loss for the year attributable to equity holders of the Company		**(70,637)**	(123,270)
		HK$	*HK$* (Restated)
Loss per share – Basic and diluted	*8*	**(0.38)**	(0.66)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Notes	**2019** **HK$'000**	2018 *HK$'000*
Non-current assets			
Equity investments at fair value through profit or loss	*9*	**148,319**	181,251
Current assets			
Equity investments at fair value through profit or loss	*9*	**98,220**	148,545
Deposits and prepayments		**221**	581
Due from securities brokers	*10*	**3,909**	10,466
Other receivable		**15,394**	22,854
Bank balances and cash		**297**	456
		118,041	182,902
Current liabilities			
Due to securities brokers	*11*	**–**	18,311
Other payables and accruals		**1,291**	551
Bond payables		**–**	10,000
		1,291	28,862
Net current assets		**116,750**	154,040
Total assets less current liabilities		**265,069**	335,291
NET ASSETS		**265,069**	335,291
Capital and reserves			
Share capital		**186,232**	186,232
Reserves		**78,837**	149,059
TOTAL EQUITY		**265,069**	335,291
		HK$	*HK$*
Net asset value per share	*12*	**0.14**	0.18

Notes:

1. GENERAL INFORMATION

Unity Investments Holdings Limited was incorporated in the Cayman Islands with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements also comply with applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2018 consolidated financial statements except for the adoption of the following new/revised HKFRSs that are relevant to the Group and effective from the current year.

The Group has adopted, for the first time, the following new/revised HKFRSs:

Annual Improvements to HKFRSs	*2015–2017 Cycle*
HK(IFRIC)-Int 23	*Uncertainty over Income Tax Treatments*
Amendments to HKAS 19	*Employee Benefits*
Amendments to HKAS 28	*Investments in Associates and Joint Ventures*
Amendments to HKFRS 9	*Prepayment Features with Negative Compensation*
HKFRS 16	*Leases*

HKFRS 16 Lease

HKFRS 16 replaces HKAS 17 and related Interpretations for annual periods beginning on or after 1 January 2019. It significantly changes, among others, the lessee accounting by replacing the dual-model under HKAS 17 with a single model which requires a lessee to recognise right-of-use assets and lease liabilities for the rights and obligations created by all leases with a term of more than 12 months, unless the underlying asset is of low value. For lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. HKFRS 16 also requires enhanced disclosures to be provided by lessees and lessors.

In accordance with the transitional provisions, the Group has applied HKFRS 16 for the first time at 1 January 2019 (i.e. the date of initial application, the "DIA") using the modified retrospective approach in which comparative information has not been restated. Instead, the Group recognised the cumulative effect of initially applying HKFRS 16 as an adjustment to the balance of accumulated losses at the DIA.

The Group also elected to use the transition practical expedient not to reassess whether a contract was, or contained, a lease at the DIA and the Group applied HKFRS 16 only to contracts that were previously identified as leases applying HKAS 17 and to contracts entered into or changed on or after the DIA that are identified as leases applying HKFRS 16.

As lessee

Before the adoption of HKFRS 16, lease contracts were classified as operating or finance lease in accordance with the Group's accounting policies applicable prior to the DIA.

Upon adoption of HKFRS 16, the Group accounted for the leases in accordance with the transition provisions of HKFRS 16 and the Group's accounting policies applicable from the DIA.

As lessee – leases previously classified as operating leases

The Group recognised right-of-use assets and lease liabilities for leases previously classified as operating leases at the DIA, except for leases for which the underlying asset is of low value, and the Group applied the following practical expedients on a lease-by-lease basis.

(a) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

(b) Adjusted the right-of-use assets at the DIA by the provision for onerous leases recognised immediately before the DIA by applying HKAS 37, as an alternative to performing an impairment review at the DIA.

(c) Did not recognise right-of-use assets and lease liabilities to leases for which the lease term ends within 12 months of the DIA.

(d) Excluded initial direct costs from the measurement of the right-of-use assets at the DIA.

(e) Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

At the DIA, except for those that were previously or will be accounted for as investment property using the fair value model, right-of-use assets were, on a lease-by-lease basis, measured at either,

(a) their carrying amount as if HKFRS 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the DIA; or

(b) an amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised immediately before the DIA.

As all the Group's leases for which the lease term ends within 12 months of the DIA, the adoption of HKFRS 16 does not have any significant impact on the consolidated financial statements.

3. FUTURE CHANGES IN HKFRS

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

HKFRS 17	*Insurance Contracts*[1]
Amendments to HKFRS 3	*Definition of Business*[2]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to HKAS 1 and HKAS 8	*Definition of Material*[4]
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	*Interest Rate Benchmark Return*[4]

[1] Effective for annual periods beginning on or after 1 January 2021.
[2] Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.
[3] Effective for annual periods beginning on or after a date to be determined.
[4] Effective for annual periods beginning on or after 1 January 2020.

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, the Amendments to References to the Conceptual Framework in HKFRS Standards, will be effective for annual periods beginning on or after 1 January 2020.

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company consider that the application of all new and amendments to HKFRSs and HKASs is unlikely to have a material impact on the Group's financial position and performance as well as disclosure in foreseeable future.

Conceptual Framework for Financial Reporting 2018 (the "New Framework") and the Amendments to References to the Conceptual Framework in HKFRS Standards

The New Framework:

- reintroduces the terms stewardship and prudence;

- introduces a new asset definition that focuses on rights and a new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument;

- discusses historical cost and current value measures, and provides additional guidance on how to select a measurement basis for a particular asset or liability;

- states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances other comprehensive income will be used and only for income or expenses that arise from a change in the current value of an asset or liability; and

- discusses uncertainty, derecognition, unit of account, the reporting entity and combined financial statements.

Consequential amendments have been made so that references in certain HKFRSs have been updated to the New Framework, whilst some HKFRSs are still referred to the previous versions of the framework. These amendments are effective for annual periods beginning on or after 1 January 2020, with earlier application permitted. Other than specific standards which still refer to the previous versions of the framework, the Group will rely on the New Framework on its effective date in determining the accounting policies especially for transactions, events or conditions that are not otherwise dealt with under the accounting standards.

4. REVENUE

The Group is principally engaged in the investment in listed and unlisted companies. Revenue recognised during the year are as follows:

	2019	2018
	HK$'000	*HK$'000*
Revenue		
Interest income	**–**	1
Dividend income from listed equity investments as FVPL	**353**	45
	353	46

5. SEGMENT INFORMATION

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

Geographical information

The geographical location from which the Group derives revenue is based on the location of the markets of the respective investments; and geographical location of the specified non-current assets is based on the physical location of the asset. However, all of the Group's revenue and non-current assets are principally attributable to Hong Kong. Consequently, no geographical information represented.

6. LOSS BEFORE TAX

		2019	2018
		HK$'000	*HK$'000*
This is stated after charging (crediting):			
Finance costs			
Interest on margin financing		**170**	1,477
Interest on loan payables		**–**	150
Interest on bond payables		**–**	516
		170	2,143
Staff costs (excluding directors' remuneration):			
Employee benefits expense		**366**	416
Contributions to defined contribution plans		**36**	20
Share-based payment expense		**212**	–
		614	436
Other items			
Auditor's remuneration		**480**	450
Operating leases in respect of:			
office premises		**–**	129
Expenses related to short term lease		**103**	–
Disclosures pursuant to Rule 21.12(1)(c) of the Listing Rules			
Realised loss on disposal of listed investments	*(i)*	**101,631**	15,402
Unrealised (gain)/loss on listed investments	*(ii)*	**(74,578)**	40,876
Unrealised loss on unlisted investments		**32,932**	58,743

Notes:

(i) The amounts are calculated based on the sales proceeds less cost of those listed investments.

(ii) The amounts represented changes in fair value of unrealised investments during the year and cumulative change in fair value of realised investments.

7. TAXATION

No provision for Hong Kong Profits Tax was made by the Group as the Group did not derive any assessable profits in Hong Kong for the year ended 31 December 2019 and 2018.

8. LOSS PER SHARE

The calculation of basic loss per share is based on the Group's loss attributable to the equity holders of the Company of HK$70,637,000 (2018: HK$123,270,000) and the weighted average number of 186,231,680 (2018: 186,231,680) ordinary shares in issue during the year.

On 20 February 2020, the Company completed a share consolidation which involve the consolidation of every ten shares of HK$0.1 into one consolidated share of HK$1.0 each ("Consolidated Share").

For the year ended 31 December 2019 and 2018, the weighted average number of ordinary shares has been adjusted for the effect of the share consolidation.

As exercise of share options of the Company would result in a decrease in loss per share, diluted loss per share is the same as basic loss per share in year ended 31 December 2019 and 2018.

9. EQUITY INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2019	2018
	HK$'000	*HK$'000*
Current		
Listed equity investments in Hong Kong	**98,220**	148,545
Non-current		
Unlisted equity investment outside Hong Kong	**148,319**	181,251

10. DUE FROM SECURITIES BROKERS

Amounts due from securities brokers represent deposits placed with securities brokers for the trading of listed investments which are repayable on demand and interest-free.

11. DUE TO SECURITIES BROKERS

Amounts due to securities brokers represent margin loans arising from the trading of listed investments which are repayable on demand. No ageing analysis is disclosed in respect of due to securities brokers. In the opinion of the directors of the Company, an ageing analysis does not give additional value in view of the Group's business nature.

12. NET ASSET VALUE PER SHARE

Net asset value per share is calculated by dividing the net assets included in the consolidated statement of financial position of approximately HK$265,069,000 (2018: HK$335,291,000) by the number of shares in issue at 31 December 2019, being 1,862,316,806 (2018: 1,862,316,806).

In the course of preparation of this results announcement, the value of the Group's unlisted investments decreased by net amount of approximately HK$32,932,000, which was made with reference to independent valuation reports. As these valuation reports were obtained by the Company after 15 January 2020, the date of the Company's announcement titled "Net Asset Value" (the "**NAV Announcement**"), the net asset value per share of the Company as at 31 December 2019 decreased from approximately HK$0.16 as stated in the NAV Announcement to approximately HK$0.14 as stated in this results announcement.

13. EVENTS AFTER REPORTING PERIOD

Capital Reorganisation

Reference is made to the circular of the Company dated 21 October 2019 (the "**Circular**") and the announcement of the Company dated 20 Februray 2020 relating to the Capital Reorganisation. Unless the context otherwise requires, terms used in this note shall have the same meanings as those defined in the Circular.

Subsequent to the year end date of 31 December 2019, the Capital Reorganisation became effective on 20 February, 2020 (Hong Kong time) which involves, among others, (a) the reduction of the par value of each issued share from HK$0.10 to HK$0.0001; (b) the sub-division of each authorised but unissued share into 1,000 new shares of HK$0.0001 each (each a "**New Share**"); and (c) the consolidation of the New Shares on the basis that every 10 issued and unissued New Shares of HK$0.0001 each consolidated into one share of HK$0.001 each.

As a result of the Capital Reorganisation, the number of shares in issue has been updated from 1,862,316,806 then issued shares of HK$0.10 each to 186,231,680 shares of HK$0.001 each.

For further details, please refer to the Circular.

Impact of Novel Coronavirus Outbreak to the Group

Since January 2020, the outbreak of Novel Coronavirus ("COVID-19") has impact on the global business environment. Pending on the development and spread of COVID-19 subsequent to the date of these financial results, further changes in economic conditions for the Group arising thereof may have impact on the financial results of the Group, the extent of which could not be estimated as at the date of these financial results. The Group will keep contimuous attention on the situation of the COVID-19 and react actively to its impact on the financial position and operating results of the Group.

FINAL RESULTS AND FINAL DIVIDEND

The Group's audited consolidated net loss attributable to shareholders was approximately HK$70.6 million for the Year which was mainly attributable to the loss from the sale of listed equity investments at fair value through profit or loss, while the changes in fair value of equity investments at fair value through profit or loss were the principal factors to the corresponding loss amount of approximately HK$123.3 million for the year ended 31 December 2018. Loss per share for the Year was approximately HK$0.38 *(2018: HK$0.66 (Restated))*.

The Board does not recommend the payment of a final dividend for the Year *(2018: Nil)*.

BUSINESS REVIEW

The Company is an investment company and the Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 27 October 1999, pursuant to Chapter 21 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). During the Year, the Group remains principally engaged in listed investments in Hong Kong and in unlisted companies.

Given continuous volatile market conditions, the listed investments of the Group during the Year has suffered. The listed equity investments has posted net realised loss of approximately HK$101.6 million *(2018: HK$15.4 million)* and unrealised gain of approximately HK$74.6 million *(2018: loss of HK$40.9 million)*. During the Year, the Board remained focus on listed equity in Hong Kong. The Company is cautious in identifying any investment opportunities to achieve medium-term or long-term capital appreciation.

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

All the investments of the Group as at 31 December 2019 are equity investments as follows:

	Market value *HK$'000*	**Approximate percentage of the Group's consolidated net asset value**
Listed investments	98,220	37.1%
Unlisted investments	148,319	56.0%
	246,539	

In connection with unlisted investments, the Group principally held three unlisted equity investment projects with attractive potentials. These three investee companies are Keen Champ Investments Limited ("**Keen Champ**"), Peak Zone Group Limited ("**Peak Zone**") and Pure Power Holdings Limited ("**Pure Power**").

The principal business of Keen Champ Group is holding operating rights and forestry management of forest trees. Peak Zone Group principally engages in the electronic commerce industry specializing on the provision of integrated application, which can be deployed by its customers on a modular or selective basis, offering flexibility in budget and choice. Pure Power Group is running natural resources exploration and exploitation business in America.

Based on the valuation reports, the valuation of the Group's stake in Peak Zone, Keen Champ and Pure Power as at 31 December 2019 were approximately HK$33.7 million, HK$73.3 million and HK$41.3 million. Accordingly, there were decreases in the value of investment in Peak Zone and Pure Power of approximately HK$9.0 million and HK$31.2 million and increase in value of the investment in Keen Champ of approximately HK$7.3 million during the year.

The Group neither acquired nor disposed of any unlisted investments during the Year.

Set out below are further details on the above unlisted investments as at 31 December 2019:

Keen Champ

For the financial year ended 31 December 2019, the unaudited consolidated net loss attributable to equity holders of Keen Champ was approximately HK$1.3 million. The loss was due to operation with sizeable scale is yet to commence. Taking global growth in lumber consumption in these few years into account, the Company believes Keen Champ will bring a positive return to the Group when its scale operation commences.

Peak Zone

For the financial year ended 31 December, 2019, the unaudited consolidated net profit attributable to equity holders of Peak Zone was approximately HK$5.0 million. Peak Zone group is beginning to develop its business in Eastern China area and continuing the development of related and advanced systems to provide more comprehensive services to increase its revenue. The Company expects that the Peak Zone group is still with a high business growth potential.

Pure Power

For the financial year ended 31 December, 2019, the unaudited consolidated net loss attributable to equity holders of Pure Power was approximately US$493,000. The loss was due to operation with sizeable scale is yet to commence. In view of the significance of petroleum with limited supply, the Company expects that Pure Power group will bring a positive return to the Group in long run after commencement of the petroleum exploration of Pure Power.

In addition to three unlisted investments above, the Group held two significant listed equity investments, which are WLS Holdings Limited ("**WLS**") (HKSE stock code: 8021) and Asia Grocery Distribution Limited ("**Asia Grocery**") (HKSE stock code: 8413) as at 31 December 2019.

WLS is principally engaged in the scaffolding and fitting out services, management contracting services and other services for construction and buildings work, money lending business, securities brokerage and margin financing and securities investment business. For the year ended 30 April 2019, the audited consolidated loss attributable to owners of WLS was HK$51,898,000. As WLS is one of the leading scaffolding sub-contractors in the industry, the management of WLS are confident about securing more contracts which based on the HKSAR's land supply and residential units forecast in the coming years. The Company believes the WLS's business strategy is in line with the overall direction of the government's strategic development plans for property construction, infrastructure investment and financial market development, and profit will be generated in medium terms.

Asia Grocery is principally engaged in the provision of food and beverage grocery distribution. For the year ended 31 March 2019, the audited consolidated profit attributable to owners of Asia Grocery was HK$3,909,000. Asia Grocery consistently adhered to the principle of maintaining profitability while striving for better results, and continued to step up its efforts in controlling expenditure, and at the same time enhancing its presence in the food and beverage grocery distribution market by devoting more resources to sales and marketing activities and actively facilitating the business development of new products. The Company believes that the Asia Grocery's expanding in business scale in the past three years and its efforts in controlling expenditure will improve the return to its shareholders continuously in the coming years.

FINANCIAL REVIEW

Liquidity, Financial Resource and Gearing Ratio

The Group's asset portfolio was mainly financed by internally generated cash resources and fund raising activities. As at 31 December 2019, net current assets of the Group amounted to approximately HK$116.8 million *(2018: HK$154.0 million)* with cash and bank balances of approximately HK$0.3 million *(2018: HK$0.5 million)*. The consolidated net asset value per share of the Company as at 31 December 2019 was HK$0.14 *(2018: HK$0.18)*. The consolidated net asset value per share as at 31 December 2019 is calculated based on the net assets of the Group of approximately HK$265.1 million *(2018: HK$335.3 million)* and 1,862,316,806 ordinary shares of the Company at par value of HK$0.10 each in issue as at that date *(2018: 1,862,316,806 shares)*.

As at 31 December 2019, the Company had no outstanding bank borrowing *(2018: Nil)*. The gearing ratio of the Group was 0.5% as at 31 December 2019 *(2018: 7.9%)*, which is calculated based on the Group's total liabilities divided by its total assets. Taking into account of the amount of liquid assets in hand and available short-term or margin loan facilities, the Group has sufficient financial resources to meet its ongoing operational requirements.

Charge of Assets and Margin Facilities

As at 31 December 2019 and 2018, margin facilities from several regulated securities brokers were granted to the Group which were secured by the Group's listed investments. As at 31 December 2019 and 2018, the Group had not utilised against these facilities.

PROSPECTS

The first quarter of Year 2020 is the most challenging period since bankruptcy of the Lehman Brothers in Year 2008. The outbreak of COVID-19 has killed over 20,000 people and infected more than 460,000 people globally. Business activities were suspended in a large extent over the world. The investment sentiment has dropped to the bottom since the last decade.

In the U.S., Dow Jones Industrial Average Index experienced cliff diving from over 29,500 points in mid February 2020 to below 19,000 points in March 2020. On 3 Mach 2020, the central bank cut interest rates by half a percentage point, its biggest single cut in more than a decade, as a pre-emptive move to protect the economy from the coronavirus. On 15 March 2020, the Federal Reserve further slashed its benchmark interest rate by 1% to a range of 0% to 0.25% and pledged to buy US$700 billion worth of government debt and mortgage-backed securities. Subsequently, the Federal Reserve announced a series of huge measures on 25 March 2020 in response to the continuing fallout tied to the coronavirus pandemic. This includes unlimited asset purchases and its first-ever entry into corporate bonds via the purchase of investment-grade securities, including exchange-traded funds. This is commonly named as "QE Infinity" in the market. The Federal Reserve, in its own words, launched its aggressive effort to offset the extraordinary economical turmoil caused by the coronavirus outbreak by rolling out its biggest weapon.

In Europe, the situation is far more complicated than that in U.S. In early 2020, Europe has been bothered with Brexit. After the wide spreading of COVID-19 in Europe, especially in Italy, in March 2020, the economy of Europe is hit much harder.

The number of death cases in Italy is the highest in the world so far. Italy has been in national lockdown since early March 2020 and it is scheduled to last until early April this year. Even so, metalworkers and bank unions vowed to strike. They were demanding more stringent measures for the factories that were still open and for bank employees, who claimed that they did not have enough masks, gloves or disinfectant.

In UK, the Prime Minister Boris Johnson has just in late March this year ordered that people could leave their homes only for the most limited purposes, including shopping for essentials, medical needs, to provide care for a vulnerable person, for work or strictly limited exercise. And he said that gathering in groups of more than two was prohibited.

The newly announced restrictions follow days of controversy over whether the UK was moving too slowly to force Britons to stay at home except in exceptional circumstances, as compared the moves implemented by several other major nations.

Both Euro and Sterling Pounds largely depreciated against US dollars in March 2020. Euro has been marked as low as USD 1.075, challenging the lowest point of USD 1.039 in the last ten years. Sterling Pounds have once reached USD 1.143, the lowest rate in the last decade.

China is the county where COVID-19 firstly appeared. It is also the first country adopting stringent lockdown policy in its largely infected area, i.e. Wuhan and quarantine policy in its major cities. After a couple of months of coronavirus quarantine, China is slowly emerging from its shutdowns by restarting production at factories and resuming some flights. A recovery in the world's second-largest economy provides some relief for global manufacturers in the months ahead as the outbreak continues to wreak havoc in Europe and U.S.

President Xi Jinping expressed that China would meet its economic and social developments goals this year, including eradicating poverty and building up a "moderately well-off society", despite the virus outbreak sending the economy into free fall in the first two months of the year and increasing evidence of a global recession.

In view of the above analysis, the Board considered that the economy recovery of China (including Hong Kong) will be at a faster pace than those in U.S. and Europe. The Board will continue to place its investment in China and Hong Kong principally, and monitor the market dynamics, and adopt a conservative approach on investments, so as to enhance value to our Shareholders.

CORPORATE GOVERNANCE PRACTICES

The Board of the Company is dedicated to an ongoing enhancement of effective and efficient corporate governance standards. The Board believes that high corporate governance standards are essential in providing framework for the Company to safeguard the interests of the shareholders and to enhance corporate value and accountability. The Company has applied the principles set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 of the Listing Rules.

For the Year, the Company has complied with all code provisions set out in the CG Code, except for code provisions A.2.1 and A.4.1, details of which will be explained below.

Based on Code provision A.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. The Company has no Chairman and Chief Executive Officer since the resignation of Mr. NG Chi Hoi on 1 August 2016. The Board's current significant decisions are made in Board meetings. Every Board member has the rights and responsibility to propose Board meetings to discuss significant issues he/she concerns, and has the power to make the decisions among other Board members.

Code provision A.4.1 requires that non-executive directors should be appointed for a specific term and subject to re-election. Ms. HU Xiaoting, the non-executive Director, has no specific term of appointment but she is subject to retirement by rotation in accordance with the Company's articles of association. As such, the Company considers that sufficient measures have been taken to serve the purpose of this code provision.

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

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARE

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

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the directors of the Company. Upon specific enquiry by the Company, all Directors have confirmed that they have complied with the required standards as set out in the Model Code for the Year.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") as at the date of this announcement comprises all independent non-executive directors, namely Mr. CHAN Yik Pun, Mr. HUNG Cho Sing and Ms. CHUNG Fai Chun. Mr. CHAN Yik Pun is the chairman of the Audit Committee.

The Audit Committee, along with management, has reviewed the consolidated results of the Group for the year ended 31 December 2019, including accounting principles and practices adopted by the Group and also discussed matters such as internal controls, risk management, audit and financial reporting, including a review of the audited consolidated financial statements, for the financial year ended 31 December 2019.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This final results announcement is published on the Company's website at www.unity913.com and the website of the Stock Exchange at www.hkexnews.hk. The 2019 annual report of the Company will be despatched to shareholders of the Company and published on the same websites above in due course.

APPRECIATION

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

By order of the Board
Unity Investments Holdings Limited
合一投資控股有限公司
SHUM Kit Lan Anita
Executive Director

Hong Kong, 27 March 2020

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

Executive director:
Ms. SHUM Kit Lan Anita

Non-executive director:
Ms. HU Xiaoting

Independent non-executive directors:
Mr. HUNG Cho Sing
Mr. CHAN Yik Pun
Ms. CHUNG Fai Chun

The English text of this announcement shall prevail over its Chinese text in case of inconsistency.