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UNIVERSE INTERNATIONAL HOLDINGS LIMITED

寰宇國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1046)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 31ST DECEMBER 2011

The board of directors (the “Directors”) (the “Board”) of Universe International Holdings Limited (the “Company”) announces the unaudited interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 31st December 2011 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	For the six months ended 31st December	
		2011 HK\$'000	2010 HK\$'000
Revenue	2	43,297	96,487
Cost of revenue	3	(33,451)	(83,765)
Selling expenses	3	(1,377)	(1,209)
Administrative expenses	3	(13,950)	(14,076)
Other income		95	651
Other gains – net		61	1,313
Other operating expenses	3	(1,081)	(8,946)
Finance income		528	324
Loss before income tax		(5,878)	(9,221)
Income tax expense	4	(126)	(3)
Loss attributable to the equity holders of the Company		(6,004)	(9,224)
Other comprehensive income:			
Gain recognized directly in equity		146	–
Total comprehensive loss for the period attributable to the equity holders of the Company		(5,858)	(9,224)
Loss per share for loss attributable to the equity holders of the Company during the period (expressed in HK cent)			
– basic	5	(0.36)	(0.57)
– diluted	5	(0.36)	(0.57)

* for identification purposes only

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

		Unaudited As at 31st December 2011 <i>HK\$'000</i>	Audited As at 30th June 2011 <i>HK\$'000</i>
	<i>Note</i>		
ASSETS			
Non-current assets			
Leasehold land		3,236	3,277
Property, plant and equipment		17,737	17,845
Investment properties		6,500	6,100
Other intangible assets		1,858	1,858
Film rights and films in progress		83,627	66,467
Film deposits		34,188	32,502
Deferred income tax assets		650	625
Available-for-sale financial assets		3,005	1,275
Deposits paid		—	1,730
		<u>150,801</u>	<u>131,679</u>
Current assets			
Inventories		3,786	3,619
Accounts receivable	6	34,284	50,518
Deposits paid, prepayments and other receivables		7,189	6,810
Cash and cash equivalents		91,470	79,432
		<u>136,729</u>	<u>140,379</u>
Total assets		<u>287,530</u>	<u>272,058</u>
EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital		34,235	32,492
Share premium		135,293	127,211
Other reserves		967	821
Retained earnings		73,375	79,379
Total equity		<u>243,870</u>	<u>239,903</u>

		Unaudited As at 31st December 2011 <i>HK\$'000</i>	Audited As at 30th June 2011 <i>HK\$'000</i>
	<i>Note</i>		
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		603	640
Current liabilities			
Accounts payable	7	4,706	4,529
Other payables and accrued charges		10,251	8,511
Deposits received		26,833	17,400
Amount due to the ultimate holding company		1	1
Obligations under finance leases		46	71
Taxation payable		1,220	1,003
		43,057	31,515
Total liabilities		43,660	32,155
Total equity and liabilities		287,530	272,058
Net current assets		93,672	108,864
Total assets less current liabilities		244,473	240,543

NOTES:

1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial information for the six months ended 31st December 2011 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The unaudited condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 30th June 2011, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by HKICPA.

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

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30th June 2011, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following new standards, amendments to standards and interpretations are mandatory for the financial year ending 30th June 2012.

		Effective for accounting periods beginning on or after
HKFRSs (Amendments)	Improvements to HKFRSs 2010	1st January 2011
HKAS 24 (Revised)	Related Party Disclosures	1st January 2011
HKFRS 1 (Amendment)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1st July 2011
HKFRS 7 (Amendment)	Disclosures – Transfers of Financial Assets	1st July 2011
HK(IFRIC)-Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement	1st January 2011

The adoption of above new standards, amendments to standards and interpretations have no significant impact on the unaudited condensed consolidated interim financial information.

The following new and revised standards, amendments to standards and interpretations to existing standards have been published that are mandatory for the Group's financial year beginning on or after 1st July 2012 or later periods but which the Group has not early adopted.

		Effective for accounting periods beginning on or after
HKAS 1 (Amendment)	Presentation of Items of Other Comprehensive Income	1st July 2012
HKAS 12 (Amendment)	Deferred tax: Recovery of Underlying Assets	1st January 2012
HKAS 19 (2011)	Employee Benefits	1st January 2013
HKAS 27 (2011)	Separate Financial Statements	1st January 2013
HKAS 28 (2011)	Investments in Associates and Joint Ventures	1st January 2013
HKFRS 9	Financial Instruments	1st January 2015
HKFRS 10	Consolidated Financial Statements	1st January 2013
HKFRS 11	Joint Arrangements	1st January 2013
HKFRS 12	Disclosure of Interests in Other Entities	1st January 2013
HKFRS 13	Fair Value Measurement	1st January 2013
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine	1st January 2013
HKAS 32 (Amendment)	Presentation – Offsetting Financial Assets and Financial Liabilities	1st January 2014
HKFRS 7 (Amendment)	Disclosures – Offsetting Financial Assets and Financial Liabilities	1st January 2013

2. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (the “CODM”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman of the Group that makes strategic decisions. The CODM has determined the operating segments based on these reports, as below:

- Distribution of films in various videogram formats
- Film exhibition, licensing and sub-licensing of film rights
- Leasing of investment properties

The CODM assesses the performance of the operating segments based on a measure of segment results. This measurement basis excludes the effects of non-recurring expenditure from the operating segments, such as gain on disposal of non-current assets held for sale and increase in fair value of investment properties. Finance income and income tax expense are not included in the result for each operating segment that is reviewed by the CODM. Other information provided, except as noted below, to the CODM is measured in a manner consistent with that in the consolidated financial statements.

Total assets, excluding other intangible assets, available-for-sale financial assets, deferred income tax assets, cash and cash equivalents and other unallocated assets (including leasehold land, property, plant and equipment, film rights and films in progress, film deposits, deposits paid, prepayments and other receivables), are managed on a central basis. These are part of the reconciliation to total balance sheet assets.

The Group's inter-segment transactions mainly consist of licensing of film rights, which are transferred at cost. The revenue from external parties reported to the CODM is measured in a manner consistent with that in the unaudited condensed consolidated statement of comprehensive income.

There are no sales between geographical segments.

Unaudited For the six months ended 31st December 2011						
	Sale of goods <i>HK\$'000</i>	Film exhibition, licensing and sub- licensing of film rights <i>HK\$'000</i>	Leasing of investment properties <i>HK\$'000</i>	Others <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Group <i>HK\$'000</i>
Revenue						
External sales	6,328	34,986	111	1,872	–	43,297
Inter-segment sales	–	1,355	–	221	(1,576)	–
	<u>6,328</u>	<u>36,341</u>	<u>111</u>	<u>2,093</u>	<u>(1,576)</u>	<u>43,297</u>
Results						
Segment results	(1,488)	(2,098)	55	(2,875)	–	(6,406)
Finance income						<u>528</u>
Loss before income tax						(5,878)
Income tax expense						<u>(126)</u>
Loss attributable to the equity holders of the Company						<u>(6,004)</u>
Other information						
Capital expenditures	1,010	228	–	34	–	1,272
Unallocated capital expenditures						<u>41,635</u>
Total capital expenditures						<u>42,907</u>
Depreciation and amortization of leasehold land	202	40	–	23	–	265
Unallocated depreciation and amortization of leasehold land						<u>301</u>
Total depreciation and amortization of leasehold land						<u>566</u>
Amortization of film rights	2,650	22,454	–	–	–	<u>25,104</u>

Unaudited						
For the six months ended 31st December 2010						
	Sale of goods <i>HK\$'000</i>	Film exhibition, licensing and sub- licensing of film rights <i>HK\$'000</i>	Leasing of investment properties <i>HK\$'000</i>	Others <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Group <i>HK\$'000</i>
Revenue						
External sales	9,054	85,136	–	2,297	–	96,487
Inter-segment sales	–	1,282	–	14	(1,296)	–
	<u>9,054</u>	<u>86,418</u>	<u>–</u>	<u>2,311</u>	<u>(1,296)</u>	<u>96,487</u>
Results						
Segment results before impairment losses	(49)	91	(1)	(642)	–	(601)
Impairment losses of film rights	–	(8,944)	–	–	–	(8,944)
Segment results	(49)	(8,853)	(1)	(642)	–	(9,545)
Finance income						<u>324</u>
Loss before income tax						(9,221)
Income tax expense						<u>(3)</u>
Loss attributable to the equity holders of the Company						<u>(9,224)</u>
Other information						
Capital expenditures	2,703	276	–	8	–	2,987
Unallocated capital expenditures						<u>31,652</u>
Total capital expenditures						<u>34,639</u>
Depreciation and amortization of leasehold land	286	32	–	5	–	323
Unallocated depreciation and amortization of leasehold land						<u>388</u>
Total depreciation and amortization of leasehold land						<u>711</u>
Amortization of film rights	4,665	66,618	–	–	–	<u>71,283</u>

Unaudited
As at 31st December 2011

	Sale of goods <i>HK\$'000</i>	Film exhibition, licensing and sub- licensing of film rights <i>HK\$'000</i>	Leasing of investment properties <i>HK\$'000</i>	Others <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Group <i>HK\$'000</i>
Assets						
Segment assets	12,053	46,862	6,502	7,294	–	72,711
Other intangible assets						1,858
Deferred income tax assets						650
Available-for-sale financial assets						3,005
Cash and cash equivalents						91,470
Other unallocated assets						117,836
Total assets						287,530

Audited
As at 30th June 2011

	Sale of goods <i>HK\$'000</i>	Film exhibition, licensing and sub- licensing of film rights <i>HK\$'000</i>	Leasing of investment properties <i>HK\$'000</i>	Others <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Group <i>HK\$'000</i>
Assets						
Segment assets	14,042	67,420	6,101	4,331	–	91,894
Other intangible assets						1,858
Deferred income tax assets						625
Available-for-sale financial assets						1,275
Cash and cash equivalents						79,432
Other unallocated assets						96,974
Total assets						272,058

3. EXPENSES BY NATURE

Expenses included in cost of revenue, selling expenses, administrative expenses and other operating expenses are analyzed as follows:

	Unaudited	
	For the six months ended	
	31st December	
	2011	2010
	HK\$'000	HK\$'000
Amortization of film rights	25,104	71,283
Amortization of leasehold land	41	41
Depreciation of owned assets	536	630
Depreciation of leased assets	30	40
Write-off of inventories	25	2
Impairment losses of film rights	–	8,944
Impairment losses of accounts receivable	792	–
Employee benefits expenses	9,980	9,560
Cost of inventories sold	2,172	2,651
	<u>2,172</u>	<u>2,651</u>

4. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for the period (2010: 16.5%).

The amount of income tax expense charged to the unaudited condensed consolidated statement of comprehensive income represents:

	Unaudited	
	For the six months ended	
	31st December	
	2011	2010
	HK\$'000	HK\$'000
Hong Kong profits tax	217	(29)
Deferred income tax relating to the origination and reversal of temporary differences	(91)	32
	<u>126</u>	<u>3</u>

5. LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to the equity holders of the Company of HK\$6,004,000 (2010: HK\$9,224,000) and the weighted average number of ordinary shares in issue during the period of 1,686,189,337 shares (2010: 1,624,605,370 shares).

The basic and diluted loss per share for the six months ended 31st December 2011 are the same as there was no dilutive potential ordinary share outstanding during the period (2010: same).

6. ACCOUNTS RECEIVABLE

	Unaudited As at 31st December 2011 HK\$'000	Audited As at 30th June 2011 HK\$'000
Accounts receivable	35,076	50,518
Less: Provision for impairment of accounts receivable	(792)	–
Accounts receivable – net	34,284	50,518

The carrying amount of accounts receivable approximates to their fair values.

As at 31st December 2011, the ageing analysis of the accounts receivable was as follows:

	Unaudited As at 31st December 2011 HK\$'000	Audited As at 30th June 2011 HK\$'000
Current to 90 days	21,205	7,475
91 days to 180 days	6,254	7,810
Over 180 days	6,825	35,233
	34,284	50,518

Sales of videogram products are with credit terms of 7 days to 60 days. Sales from film exhibition, licensing and sub-licensing of film rights are on open account terms.

There is no concentration of credit risk with respect to accounts receivable, as the Group has a large number of customers, and are internationally dispersed.

Save as a bank's guarantee of HK\$90,000 provided to the Group by a customer, the Group does not hold any collateral as security (As at 30th June 2011: same).

The Group has recognized a loss of approximately HK\$792,000 (2010: nil) for the impairment of its accounts receivable during the period.

7. ACCOUNTS PAYABLE

As at 31st December 2011, the ageing analysis of the accounts payable was as follows:

	Unaudited As at 31st December 2011 HK\$'000	Audited As at 30th June 2011 HK\$'000
Current to 90 days	1,931	1,923
91 days to 180 days	429	493
Over 180 days	2,346	2,113
	<u>4,706</u>	<u>4,529</u>

8. PENDING LITIGATIONS

- (a) A court action was commenced in the Court of First Instance of the Hong Kong Special Administrative Region on 17th April 2002 by The Star Overseas Limited ("Star"), an independent third party, against Universe Entertainment Limited ("UEL"), an indirect wholly-owned subsidiary of the Company.

By the above action, Star alleged that a sum of US\$935,871.65 (equivalent to HK\$7,299,798.84) was payable by UEL to Star as its share of the revenue of the movie entitled "Shaolin Soccer" (the "Movie").

Pursuant to an Order (the "Order") made by the High Court on 21st February 2003, UEL was ordered and had paid to Star a sum of HK\$5,495,699.80, being part of the licence fee of the Movie received by UEL from Miramax Films (being the licensee of the Movie) and which was also part of the sum claimed by Star. Pursuant to the Order, UEL is also liable to pay Star interest in the sum of HK\$350,905.30 and some of the costs of the application leading to the making of the Order, all of which have been settled. As the Order has not disposed of all the claims of US\$935,871.65 (equivalent to HK\$7,299,798.84) by Star, UEL is entitled to continue to defend the claim by Star for recovering the remaining balance in the sum of approximately HK\$1,804,099.04 (HK\$7,299,798.84 less HK\$5,495,699.80).

On 30th April 2002, UEL issued a Writ of Summons against Star for the latter's wrongful exploitation of certain rights in the Movie co-owned by both parties. UEL claimed to recover all losses and damages suffered by UEL as a result of the wrongful exploitation.

On 9th September 2002, Universe Laser & Video Co. Limited (“ULV”), an indirect wholly-owned subsidiary of the Company, issued a Writ of Summons against Star for the latter’s infringement of the licensed rights in the Movie held by ULV. ULV claimed to recover all losses and damages suffered by ULV as a result of the said infringement.

In the opinion of legal counsel, it is premature to predict the outcome of the said claim made against UEL. The Board is of the opinion that the outcome of the claim against UEL will have no material financial impact to the Group.

- (b) On 1st September 2008, Koninklijke Philips Electronics N.V. (“KPE”) issued a Writ of Summons against among other persons, the Company, ULV and Mr Lam Shiu Ming, Daneil (one of the Directors), being three of the defendants named therein, in respect of damages arising from alleged infringement of the patents regarding Video Compact Disc owned by KPE.

In the opinion of legal counsel, it is premature to predict the outcome of the said claim made against the Company, ULV and Mr Lam Shiu Ming, Daneil. The Board is of the opinion that the outflow of economic benefits cannot be reliably estimated and accordingly no provision for any liability that may result has been made in the unaudited condensed consolidated interim financial information.

- (c) On 8th January 2010, KPE issued a Writ of Summons against among other persons, the Company, ULV and Mr Lam Shiu Ming, Daneil (one of the Directors), being three of the defendants named therein, in respect of damages arising from alleged infringement of the patents regarding Digital Video Disc owned by KPE.

In late September 2011, the claim made against ULV has been agreed with KPE and appropriate provision has been recognized accordingly in the consolidated financial statements for the year ended 30th June 2011. Based on the consultation with legal counsel, no further material outflow of economic benefits will be incurred for ULV.

In the opinion of legal counsel, it is premature to predict the outcome of the said claim against the Company and Mr Lam Shiu Ming, Daneil. The Board is of the opinion that the outflow of economic benefits of the Company cannot be reliably estimated and accordingly no provision for any liability has been made in the unaudited condensed consolidated interim financial information.

Save as disclosed above, as at 31st December 2011, no litigation or claim of material importance is known to the Directors to be pending against either the Company or any of its subsidiaries.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend in respect of the six months ended 31st December 2011 (2010: same).

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Group results

The Group's unaudited consolidated revenue for the six months ended 31st December 2011 decreased by 55.1% over the same period last year to HK\$43.3 million. Meanwhile, the loss attributable to the equity holders of the Company narrowed by 34.9% to HK\$6.0 million. Loss per share for the period under review was HK0.36 cent compared with HK0.57 cent during the corresponding period in 2010. The improvement in the Group's results was mainly due to no provision for impairment losses of film rights made during the six months ended 31st December 2011. Impairment losses of HK\$8.9 million for the film rights were made in the same period last year. Excluding the above effects, loss after income tax for the period ended 31st December 2010 would have been approximately HK\$280,000.

The significant decrease in turnover for the period ended 31st December 2011 as compared to the corresponding period in 2010 was mainly due to the fact that (i) certain television series and films were still being produced during the period under review where their distribution, and thus revenue recognition, would occur later; (ii) there is delay in the release of a film originally scheduled to be release during the period under review; and (iii) the continuing stagnant local video distribution market.

Video distribution

During the period under review, the local video distribution business continued to shrink, recording a decrease in turnover to HK\$6.3 million from HK\$9.1 million. It accounted for 14.6% (2010: 9.4%) of the Group's consolidated revenue. The decrease in turnover from video distribution correspond with fewer number of new titles being released during the period under review, as the management continued to adopt a cautious and prudent approach towards film acquisition.

The gross profit of this business segment declined by 13.3% to approximately HK\$1.5 million, compared with HK\$1.7 million recorded in the same period last year.

Responding to such difficult business environment, the Group will continue to improve the cost structure of this business segment and exercise prudence when acquiring new titles for video distribution.

Film exhibition, licensing and sub-licensing of film rights

A decline in the number of new television series and films produced and completed in the first half of the financial year 2011/2012, coupled with the delay in release of a film affected the turnover of this business segment. During the period under review, revenue generated from this business segment was HK\$35.0 million, representing a significant decrease of 58.9% over the same period last year. The revenue from this business segment accounted for 80.8% (2010: 88.2%) of the Group's consolidated revenue.

Revenue from film exhibition was HK\$3.7 million, representing a decrease of 46.5% compared with the same period last year. A decline in revenue from film exhibition was mainly attributable to the Group having produced fewer films. Its operating loss rose from HK\$0.7 million to HK\$1.8 million as the box office of the films released during the period under the review has not been satisfactory.

Meanwhile, revenue and gross profit from licensing and sub-licensing of film rights were HK\$31.3 million and HK\$8.2 million respectively, representing a decrease of 60.0% and 13.1% over the same period last year. During the period under review, there was only one new film being released, which consequently affected revenue from licensing and sub-licensing of film rights business.

In terms of geographical contribution, contribution of overseas markets accounted for 64.2% (2010: 64.7%) of the Group's total revenue during the period under review.

Leasing of investment properties

During the period under review, revenue from this business segment was approximately HK\$111,000 (2010: nil). The Group acquired a residential property in Hong Kong for leasing purpose and leased out a car parking space in April 2011 and December 2011 respectively. The management will continue to explore and consider investment opportunity in properties that would offer stable and satisfactory returns.

OUTLOOK

We expect overall operating environment for the industry to remain challenging and difficult in the coming year. In view of this, the Group will continue to closely monitor the rapidly changing business environment and adopt a pragmatic and prudent approach towards the Group's business development accordingly.

FINANCIAL RESOURCES/LIQUIDITY AND CAPITAL STRUCTURE

As at 31st December 2011, the Group had cash balances of HK\$91.5 million (As at 30th June 2011: HK\$79.4 million). As stated in the announcement dated 24th August 2011, the Group raised net proceeds (after expenses) of approximately HK\$9.8 million by placing of 87,165,000 ordinary shares of the Company on 22nd August 2011. The Directors considered that such placing could strengthen the financial position of the Group and the net proceeds would be applied as general working capital.

As at 31st December 2011, the Group had total assets of approximately HK\$287.5 million, representing an increase of HK\$15.5 million over that of 30th June 2011.

The Group's gearing ratio as at 31st December 2011 fell to almost zero (As at 30th June 2011: 0.03%), which was calculated on the basis of the Group's long term borrowings including obligations under finance leases of approximately HK\$46,000 (fully repayable within one year) and on the total equity of the Company of approximately HK\$243.9 million.

There was no financial cost incurred for the period ended 31st December 2011 (2010: same).

In light of the fact that most of the Group's transactions were denominated in Hong Kong dollars, Renminbi and United States dollars, the management considered that the exposure to fluctuation of currency exchange rates is limited and no financial instruments for hedging purposes was used by the Group.

THE PLEDGE OF GROUP ASSETS

As at 31st December 2011, the Group did not have any pledged assets (As at 30th June 2011: same).

EMPLOYEES AND REMUNERATION POLICIES

As at 31st December 2011, the Group had 46 staff (As at 30th June 2011: 49). Remuneration is reviewed annually and certain staffs are entitled to commission. In addition to basic salaries, staff benefits including discretionary bonus, medical insurance scheme and mandatory provident fund.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has, throughout the six months ended 31st December 2011, complied with the code provisions contained in the Code on Corporate Governance Practices (the "Code") set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") except for the code provision A.2.1 of the Code for the separation of the roles of Chairman and Chief Executive Officer ("CEO") as described in the following.

Code provision A.2.1 of the Code sets out that the roles of the Chairman and CEO should be separate and should not be performed by the same individual. The Company does not at present have any officer holding the position of CEO. Mr Lam Shiu Ming, Daneil is the founder and Chairman of the Company and has also carried out the responsibilities of CEO. Mr Lam possesses the essential leadership skills to manage the Board and extensive knowledge in the business of the Group. The Board considers the present structure to be more suitable to the Company because it can promote the efficient formulation and implementation of the Group's strategies.

AUDIT COMMITTEE

The Audit Committee was established on 11th October 1999. Its current members include three independent non-executive Directors, namely Mr Ng Kwok Tung (as Chairman), Dr Leung Shiu Ki, Albert and Mr Ma Chun Fung, Horace.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including a review of the unaudited condensed consolidated interim financial information for the six months ended 31st December 2011 with the management.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company has not redeemed any of its listed securities during the six months ended 31st December 2011. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the six months ended 31st December 2011, the Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code") as its code for dealing in securities of the Company by Directors. Having made specific enquiries, all Directors confirmed that they have complied with the required standards set out in the Model Code throughout the period.

PUBLICATION ON THE COMPANY AND STOCK EXCHANGE'S WEBSITES

This interim results announcement is published on the websites of the Company (www.uih.com.hk) and the Stock Exchange (www.hkexnews.hk). The interim report will also be available at the same websites on or before 31st March 2012.

By Order of the Board
Lam Shiu Ming, Daneil
Chairman

Hong Kong, 29th February 2012

As at the date of this announcement, the Board comprises Mr Lam Shiu Ming, Daneil and Mr Yeung Kim Piu as executive Directors and Mr Ng Kwok Tung, Dr Leung Shiu Ki, Albert and Mr Ma Chun Fung, Horace as independent non-executive Directors.