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## UBA INVESTMENTS LIMITED

開明投資有限公司\*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 768)

### ANNUAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2020

#### RESULTS

The Board of directors (the “Board”) of UBA Investments Limited (the “Company”) is pleased to announce that the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31st March, 2020 with comparative figures for the previous financial year are as follows:

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH, 2020

	Notes	2020 HK\$'000	2019 HK\$'000
Gross proceeds from disposal of trading securities		<u>17,600</u>	<u>40,529</u>
Revenue	5	3,889	5,531
Net loss on financial assets at fair value through profit or loss	6	(42,456)	(24,483)
Net loss on other investment at fair value through profit or loss		(41)	(61)
Other revenue	7	258	247
Administrative and other operating expenses		(6,252)	(5,613)
Finance costs	8	(402)	(57)
<b>Loss before taxation</b>	9	<u>(45,004)</u>	<u>(24,436)</u>
Income tax credit	10	489	1,154
<b>Loss and total comprehensive loss for the year attributable to owners of the Company</b>		<u>(44,515)</u>	<u>(23,282)</u>
<b>Loss per share</b>			
Basic and diluted	11	<u>(3.50) cents</u>	<u>(2.10) cents</u>
<b>Dividend</b>		<u>Nil</u>	<u>Nil</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST MARCH, 2020**

	<i>Notes</i>	<b>2020</b> <b>HK\$'000</b>	2019 <b>HK\$'000</b>
<b>NON-CURRENT ASSET</b>			
Property, plant and equipment		-	-
<b>CURRENT ASSETS</b>			
Amounts due from investee companies		2,275	2,588
Amounts due from related companies		1,408	1,634
Deposits		66	66
Financial assets at fair value through profit or loss	12	103,800	128,252
Other investment		639	680
Cash and bank balances		5,745	25,713
		<b>113,933</b>	158,933
<b>CURRENT LIABILITY</b>			
Accruals		(358)	(354)
<b>NET CURRENT ASSETS</b>			
		<b>113,575</b>	158,579
<b>TOTAL ASSETS LESS CURRENT LIABILITY</b>			
		<b>113,575</b>	158,579
<b>NON-CURRENT LIABILITY</b>			
Deferred tax liabilities		(191)	(680)
<b>NET ASSETS</b>			
		<b>113,384</b>	157,899
<b>CAPITAL AND RESERVES</b>			
Share capital		12,717	12,717
Reserves		100,667	145,182
<b>TOTAL EQUITY</b>			
		<b>113,384</b>	157,899
<b>NET ASSET VALUE PER SHARE</b>			
	13	<b>HK\$0.09</b>	HK\$0.12

## NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. GENERAL

UBA Investments Limited (the "Company") is a public limited company incorporated in the Cayman Islands with its shares listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. The principal place of business of the Company is Flat B, 16th Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong.

The Company and its subsidiaries (collectively referred to as the "Group") are engaged in investment holding and trading of securities.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company and all values (including comparative information) are rounded to the nearest thousand (HK\$'000) except when otherwise indicated.

### 2. BASIS OF PREPARATION

The 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. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention except the financial assets at fair value through profit or loss ("FVTPL") and other investments are stated at fair value and on the basis that the Group is a going concern.

### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current year:

HKFRSs (Amendments)	<i>Annual Improvements to HKFRSs 2015-2017 Cycle</i>
HKFRS 9 (Amendments)	<i>Prepayment Features with Negative Compensation</i>
HKFRS 16	<i>Leases</i>
HKAS 19 (Amendments)	<i>Plan Amendment, Curtailment or Settlement</i>
HKAS 28 (Amendments)	<i>Long-term Interests in Associates and Joint Ventures</i>
HK(IFRIC) – Int 23	<i>Uncertainty over Income Tax Treatments</i>

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 3. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONT’D)

#### HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 Leases (“HKAS 17”), and the related interpretations.

##### *Definition of a lease*

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1st April, 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

##### *As a lessee*

As at 1st April 2019, the Group has non-cancellable operating leases in respect of rental of office. The remaining terms of these operating leases were less than 12 months. The Group has accounted for these leases as short-term leases under the practical expedient permitted by HKFRS 16.

The adoption of HKFRS 16 will not have a material impact on the Group’s financial performance and financial positions.

### 4. NEW AND AMENDMENTS TO HKFRSs ON ISSUE BUT NOT YET EFFECTIVE

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKAS 1 and HKAS 8 (Amendments)	<i>Definition of Material</i> <sup>1</sup>
HKFRS 9, HKAS 39 and HKFRS 7(Amendments)	<i>Interest Rate Benchmark Reform</i> <sup>1</sup>
HKFRS 3 (Amendments)	<i>Definition of a Business</i> <sup>2</sup>
HKFRS 10 and HKAS 28 (Amendments)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>4</sup>
HKFRS 17	<i>Insurance Contracts</i> <sup>3</sup>
HKFRS 16 (Amendments)	<i>Covid-19 Related Rent Concessions</i> <sup>5</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1st January, 2020

<sup>2</sup> Effective for business combination and asset acquisition for which the acquisition date is on or after the beginning of the annual period beginning on or after 1st January, 2020

<sup>3</sup> Effective for annual periods beginning on or after 1st January, 2021

<sup>4</sup> Effective for annual periods beginning on or after a date to be determined

<sup>5</sup> Effective for annual periods beginning on or after 1st June, 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 1st January, 2020. The directors of the Group anticipate that the application of the new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

## 5. REVENUE

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Dividend income from:		
- Listed equity investments	3,889	3,864
- Unlisted equity investments	-	1,667
	<u>3,889</u>	<u>5,531</u>

No analysis of the Group's revenue and contribution to operating profit for the current and prior years set out by principal activities and geographical markets is provided as the Group has only one single business segment, investment holding and all the consolidated revenue and the consolidated results of the Group are attributable to performance of the markets in Hong Kong.

No information about major customers has been disclosed as a substantial portion of the Group's income is derived from the Group's investments and the disclosure of information regarding customers would not be meaningful.

## 6. NET LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The following is the analysis of net loss on investments of the Group for the year ended 31st March, 2020 and 2019. The amounts of realised loss represent the fair value difference between the beginning of the year or purchase date in the year and the disposal date of financial instruments while the amounts of unrealised (loss)/gain represent the change of the fair value during the year of financial instruments held by the Group as at the year-end:

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
(Loss)/gain on financial assets at FVTPL		
- Listed equity investments		
- Realised	(556)	(131)
- Unrealised	(37,761)	(11,977)
- Unlisted equity investments		
- Unrealised	(4,139)	(19,975)
- Unlisted convertible debt securities		
- Unrealised	-	7,600
	<u>(42,456)</u>	<u>(24,483)</u>

## 7. OTHER REVENUE

	2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Bank interest income	258	9
Other income	-	238
	<u>258</u>	<u>247</u>

## 8. FINANCE COSTS

	<b>2020</b> <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Interest on other borrowings wholly repayable within five years	<u>402</u>	<u>57</u>

## 9. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging:

	<b>2020</b> <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Auditors' remuneration	252	252
Depreciation of property, plant and equipment	-	1
Investment management fee paid to a related company	2,075	2,243
Staff costs(including directors' remuneration), including defined contributions of approximately HK\$24,000 (2019: HK\$24,000) to MPF Scheme	954	935
Short-term lease expenses	264	-
Minimum lease payments on properties classified as operating leases under HKAS 17	-	264
Allowance for expected credit loss on amounts due from investee companies	<u>313</u>	<u>2</u>

## 10. INCOME TAX CREDIT

Tax credit in the consolidated statement of profit or loss and other comprehensive income represents:

	<b>2020</b> <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Current tax	-	-
Deferred tax credit	<u>(489)</u>	<u>(1,154)</u>
	<u>(489)</u>	<u>(1,154)</u>

On 21st March, 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28th March, 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong profits tax had been made as the Group sustained a tax loss for the years ended 31st March, 2020 and 2019.

## 11. LOSS PER SHARE

The basic loss per share is based on the Group's loss attributable to owners of the Company of approximately HK\$44,515,000 (2019: HK\$23,282,000) and 1,271,732,200 (2019: 1,110,298,742) weighted average number of shares for the purpose of basic loss per ordinary shares for the years ended 31st March, 2020 and 2019.

Basic loss per share is the same as diluted loss per share as the Company has no dilutive potential ordinary shares for both years.

## 12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>2020</b> <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Listed equity securities in Hong Kong at fair value (Note (a))	<b>91,165</b>	98,878
Unlisted equity securities at fair value (Note (b))	<b>12,635</b>	16,774
Unlisted convertible debt securities at fair value (Note (c))	-	12,600
	<b>103,800</b>	128,252
Market value of listed equity securities	<b>91,165</b>	98,878

- (a) The fair value of the listed equity securities (excluded suspended trading securities) are determined based on the quoted market closing price available on the Stock Exchange at the end of the reporting period.
- (b) The fair values of unlisted equity securities were arrived on the basis of valuation carried out by a firm of independent qualified professional valuers. The fair value of the unlisted equity securities was valued by using market approach or binomial model.
- (c) JBB Builders International Limited ("JBBI") is incorporated in the Cayman Islands and is principally engaged in engineering contractor business in Malaysia. JBB Builders Investment Limited ("JBB") is the immediate and ultimate holding company of JBBI. JBB is a private company incorporated in British Virgin Islands and is principally engaged in business of investment holding.

The Group entered into the subscription agreement with JBB on 14th May, 2018 pursuant to which the Group agreed to subscribe for unlisted convertible bond with zero coupon rate issued by JBB with a principal amount of HK\$5,000,000 due on 14th May, 2019. The Group shall have right to convert or exchange the entire outstanding principal of the bond into shares of JBBI at any time during the period from the issue date up to 14th May, 2019 or up to the issue of official listing approval from the Stock Exchange of Hong Kong to JBBI.

JBBI is listed on the Main Board of Hong Kong Stock Exchange on 10th May, 2019 and the IPO price is HK\$1.18.

## 13. NET ASSET VALUE PER SHARE

The calculation of net asset value per share is based on the net assets of the Group amounted to approximately HK\$113,384,000 (2019: HK\$157,899,000) and 1,271,732,200 (2019: 1,271,732,200) ordinary shares in issue as at 31st March, 2020.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review

For the year ended 31st March, 2020, UBA Investments Limited and its subsidiaries (the “Group”) recorded a loss attributable to owners of approximately HK\$44.5 million (2019:HK\$23.3 million) of which unrealised loss of HK\$37.8 million (2019: HK\$12.0 million) in relation to the listed securities and HK\$4.1 million (2019: HK\$12.4 million) in relation to the unlisted investment. The loss per share was HK\$0.035 (2019: HK\$0.021). Gross proceeds from disposal of trading securities significantly decreased 57% from HK\$40.5 million to HK\$17.6 million as the Group focused more on unlisted shares investment to bring better returns than trading in listed securities. Also, it is in line with the decreasing transaction volume of 3% in Hang Seng Index (“HSI”) comparing with last year. As at 31st March, 2020, the net assets of the Group were approximately HK\$113.4 million (2019: HK\$157.9 million). The net assets decreased by 28% when compared with last year , which is in line with the Hang Seng Index (“HSI”) decrease of 19% during this year.

During the year, the global and local equity markets had experienced intense volatility. The Group's proactive investment strategy was to maximize profit for shareholders during the period, through investment in listed securities with relatively high yield and more stable, especially the bank and telecommunication sectors which contributed 77% in dividend income of all dividend income from listed securities investment during the period.

As at 31st March, 2020, the Group’s investment portfolio was well diversified and comprised of different sectors including bank, telecommunications, transportation, retail businesses, properties, manufacturing, construction etc, in which investment in listed securities amounted HK\$91.2 million (2019:HK\$98.9 million) and unlisted investment with fair value at amount HK\$12.6 million (2019: HK\$29.4 million) which match with the strategy of the Group.

The strategy of the Group in short term is to trade listed securities to maintain sufficient dividend level for the Group operation. For the long term strategy, it is to balance the listed and unlisted investment so as to bring better returns for our shareholders and to maintain sufficient liquidity for the future actions when fluctuation in stock markets and investing in unlisted investment may have higher potentials.



During the corresponding period and since the second quarter of 2019, the stock market trend is extremely different among United States ("U.S."), China and Hong Kong. The differences were mainly due to the effect of the tariff war between U.S. and China as well as the interest rate cut in U.S. which brought favorable advantage toward U.S. but negative impact on China and Hong Kong. However, in early 2020, the COVID-19 outbreak and the oil price decline, which led to the collapse of the worldwide economy and stock markets.

Entering into the second quarter of 2019, the intensifying trade wars and their negative effects on economic activities globally show no sign of abating. However, the U.S. Federal Reserve (the "Fed") announced rate cut of 0.25% respectively in July and September, together with the good economic data, such as low unemployment rate which drove the U.S. economy and stimulated the U.S. stock markets during the period. In addition, U.S. President Donald Trump signed a US-China phase one economic and trade agreement in January 2020 with China which took a break in the U.S. and China trade war and improved global investment sentiment. The Dow Jones Index increased by 14% from 25,928 at the end of March 2019 to 29,568 at mid of February 2020. However, COVID-19 was accelerating the downwards of worldwide economic since the mid of February 2020. COVID-19 spread quickly across U.S and European countries which frightened people all over the world. Many countries lockdown their border and worldwide economic shock down immediately. COVID 19 brought a ripple effect to worldwide investors and reduced their investment desire. The Dow Jones Index decreased 38% to the bottom at 18,213 at mid March 2020. The Fed saved the U.S. economy and cut the rate 0.5% and 1% again in late March 2020 and rapidly expanding their balance sheet (quantitative easing) which stimulated the stock markets and the Dow Jones Index increased sharply by 20% to 21,917 at end of March 2020.

Meanwhile, the China stock market sentiment was contrary to U.S. and Europe in 2019. On top of the negative impact from the tariff war with U.S., the U.S. government also was looking to clamp down the capital flow into China which roiled investors and brought a ripple effect to worldwide investors and reduced their investment desire in China. Together with the poor economic data such as the GDP growth rate dropped to 6.2% and 6.0% for the second and third quarter of 2019 respectively, and the devaluation of RMB against USD by 6.0% during this period, the Shanghai Composite Index dropped 8.3% from 3,090 at the end of March to 2,905 at the end of September 2019. After that, the investment sentiment became better after the phase one economic and trade agreement with U.S. was signed in mid January 2020, the Shanghai Composite Index increased 7.6% to 3,127. Unfortunately, the China and worldwide economy was hit by the COVID-19 in mid January and mid February respectively which led the Shanghai Composite Index dropped again by 12% to 2,750 at end of March 2020.

Back to the Hong Kong Stock Markets, which were highly sensitive to the news of the global economy, especially the negative impact from trade war between U.S. and China, the negative impact from the ongoing demonstrations in Hong Kong triggered by the introduction of the Fugitive Offenders Amendment Bill by the Hong Kong Government. In addition to the effect of COVID-19 in January 2020, the government also issued entry restriction to many countries and issued quarantine orders to all people entering Hong Kong including Hong Kong residents, Mainland residents and visitors from other places that they shall stay at home or other accommodation for a 14-day compulsory quarantine. Finally, Hong Kong heads into recession during the whole year as the protest and COVID-19 hit the economy as the retail industry, tourism and catering industry have fallen off a cliff. As a result, the HSI decreased 18.8% from 29,051 in March 2019 to 23,603 at the end of March 2020.

**Prospects**

We expect the global stock markets to be full of challenges in the coming few months especially affected by the COVID-19, the epidemic led to the uncertain economies for many countries all over the world and the global economy will also be entering a turbulent market environment with a downward trend.

Due to these reasons, the Group remains cautious about the outlook of the global and Hong Kong equity markets. We will seek and evaluate good investment opportunities to enrich our investment portfolios. We will invest in more unlisted equity securities with good potential to be listed, based on our future business decisions by building on our successful experience in the past. We will also continue to adopt and maintain a cautious and pragmatic investment approach in order to bring better returns for our shareholders.

## Investment Review

The Group hold lot of listed investments and two unlisted investments with fair value as at the year ended 31st March, 2020. The top ten listed investments and the unlisted investments represented significant portion in the net assets of the Group as at the year ended 31st March, 2020 as below:

### Listed securities investments

Name of investee companies	As at 31st March, 2020			As at 31st March, 2019		
	Number of share	Fair Value <i>HK\$'000</i>	Approximately % of total assets of the Group	Number of share	Fair Value <i>HK\$'000</i>	Approximately % of total assets of the Group
CK Hutchison Holdings Limited (Stock Code: 0001)	40,000	2,092	1.84 %	40,000	3,298	2.08 %
PCCW Limited (Stock Code: 0008)	5,800,265	24,767	21.74%	5,800,265	28,305	17.81%
MTR Corporation Limited (Stock Code:0066)	178,000	7,129	6.26%	-	-	-
China Merchants Land Limited (Stock Code:0978)	1,510,000	1,827	1.60%	1,510,000	1,978	1.24%
JBB Builders International Limited (Stock Code:1903)	4,644,000	2,740	2.40%	-	-	-
Yi Hua Holdings Limited (Stock Code: 2213)	26,578,278	5,183	4.55%	26,578,278	19,934	12.54%
Bank of Communications Co., Limited (Stock Code:3328)	1,000,000	4,750	4.17%	-	-	-
Bank of China Limited (Stock Code: 3988)	4,600,000	13,662	11.99%	2,600,000	9,256	5.82%
Gemilang International Limited (Stock Code: 6163)	4,791,250	5,989	5.26%	4,791,250	8,385	5.28%
Kwong Man Kee Group Limited (Stock Code: 8023)	30,003,000	14,101	12.38%	27,033,000	15,409	9.70%
		<u>82,240</u>	<u>72.19%</u>		<u>86,565</u>	<u>54.47%</u>

A brief description of the business, financial performance and prospect of the Listed securities investments is as follows:

1. CK Hutchison Holdings Limited ("CKH Holdings")

CKH Holdings is incorporated in Cayman Islands and is principally engaged in the ports and related services, retail, infrastructure, energy and telecommunication industries.

Pursuant to the annual report for the year ended 31st December, 2019, CKH Holdings recorded revenue of approximately HK\$299,021 million, total comprehensive income approximately HK\$49,600 million and net assets of approximately HK\$596,963 million.

On a Pre-IFRS 16 basis, EBITDA and EBIT decreased 1% and 2% respectively against last year in reported currency. Excluding the adverse translation exchange impacts, EBITDA and EBIT grew 2% and 1% respectively against last year in local currencies, primarily reflecting the full year accretive contribution from 50% interest in Wind Tre acquired in September 2018 as well as improved performance of the telecommunication business in Indonesia, partly offset by lower contribution from the infrastructure division following divesture in 2018 of economic benefits from the direct interest in six co-owned infrastructure investments, as well as disappointing performance by Husky Energy.

The Group believes that, with various adversities and challenges in the current market conditions, CKH Holding's telecommunication businesses are expected to be less affected amongst core segments, and barring any unforeseen circumstances, the outlook for this business will remain positive. Therefore, the Group holds 40,000 shares in CKH Holdings, representing 0.001% interest in the issued share capital of CKH Holdings based on the annual report at 31st December, 2019, and derived a dividend income of HK\$126,000 for the year ended 31st March, 2020.

2. PCCW Limited ("PCCW")

PCCW is incorporated in Hong Kong and is principally engaged in the provision of telecommunication services, internet and multimedia services, sale and rental of equipment and technical services, investment in and development of infrastructure, properties and technology-related business.

Pursuant to the annual report for the year ended 31st December, 2019, PCCW recorded revenue of approximately HK\$37,521 million, total comprehensive income of approximately HK\$3,454 million and net assets of approximately HK\$17,972 million. PCCW recorded a stable performance for the year ended 31st December, 2019, underpinned by HKT's resilient operations and the ongoing regional expansion of the media and solutions business. PCCW achieved this set of results despite the economic setback in Hong Kong in the wake of the social unrest.

The Group believes that in 2020, PCCW will continue to consolidate their advantages and build further strengths across their media entertainment platforms. PCCW aims to further improve the operating efficiency and margin of Now TV. Viu OTT will seek to drive deeper user engagement and capture larger shares in the regional markets, riding on the momentum gained last year. Viu TV will bring in more high quality content and focus on steady growth. Therefore, the Group holds 5,800,265 shares in PCCW, representing 0.075% interest in the issued share capital of PCCW based on the annual report at 31st December, 2019 and derived a dividend income of HK\$1,816,000 for the year ended 31st March, 2020.

### 3. MTR Corporation (“MTR”)

MTR is incorporated in Hong Kong and is principally engaged in provision in the following businesses – railway design, construction, operation, maintenance and investment in Hong Kong, the Mainland of China and a number of major overseas cities.

Pursuant to the annual report for the year ended 31st December, 2019, MTR recorded profit of approximately HK\$12,092 million, total comprehensive income of approximately HK\$12,828 million and net assets of approximately HK\$186,798 million. MTR total revenue in 2019 increased slightly by 1.1% to HK\$54,504 million. The increase was mainly due to full year contribution from High Speed Rail (“HSR”) and higher revenue contribution from Mainland China and international subsidiaries, but offset mostly by the reduction in fare revenue in Hong Kong transport operations, as well as rental concessions because of the public order events in Hong Kong since June 2019.

The Group believes that, the recent outbreak of COVID-19 has been impacting the operations, and MTR has implemented a number of cost control measures to mitigate its negative financial impact. Therefore, the Group holds 178,000 shares in MTR, representing 0.0029% interest in the issued share capital of MTR based on the annual report at 31st December, 2019. No dividend was received during the year.

### 4. China Merchants Land Limited (“China Merchants”)

China Merchants is incorporated in Cayman Islands and is principally engaged in investment holding and property development.

Pursuant to the annual report for the year ended 31st December, 2019, China Merchants recorded revenue of approximately RMB19,453 million, total comprehensive income of approximately RMB2,714 million and net assets of approximately RMB28,830 million. Gross profit amounted to RMB6,330 million representing a year-on-year increase of approximately 59%. This was mainly due to the increase in the total gross floor area completed and delivered in 2019.

The Group believes that, China Merchants expects, in 2020, the first priority of the Ministry of Housing and Urban-Rural Development of the PRC is to stable land prices, housing prices and market expectations, and improve housing security system across cities and towns, in order to strengthen the housing security for the needs across cities. Therefore, the Group holds 1,510,000 shares in China Merchants, representing 0.0308% interest in the issued share capital of China Merchants based on the annual report at 31st December, 2019 and derived a dividend income of HK\$120,000 for the year ended 31st March, 2020.

5. JBB Builders International Limited (“JBBI”)

JBBI is incorporated in Cayman Islands. It is an investment holding company and its subsidiaries are principally engaged in the provision of marine construction services and building and infrastructure services.

Pursuant to the interim report ended 31st December, 2019, JBBI recorded revenue of approximately RM91 million, total comprehensive income of approximately RM2.80 million and net assets of approximately RM136 million. Revenue decreased by 46.5% if comparing with the same period of last year. Such decrease was mainly due to the reduction in volume of work for marine construction services for the six months ended 31st December, 2019 following the completion of certain key contracts which contributed to a substantial portion of the revenue for the six months ended 31st December, 2018.

The Group believes that, going forward, JBBI will continue to focus on the existing projects on hand which are mainly situated in Johor Bahru while continuing to procure new business opportunities including projects in public and private sector, inside and outside Johor Bahru. Therefore, the Group holds 4,644,000 shares in JBBI, representing 0.93% interest in the issued share capital of JBBI based on the interim report ended 31st December, 2019 and derived a dividend income of HK\$89,000 for the year ended 31st March, 2020.

6. Yi Hua Holdings Limited (“Yi Hua Hldg”)

Yi Hua Hldg is incorporated in Cayman Islands and is principally engaged in operations of department stores in the People’s Republic of China (“PRC”). Following various acquisitions from 2016 to 2019, Yi Hua Hldg has also expanded its operations into property investment, property development and property management business.

Pursuant to the unaudited annual result for the year ended 31st December, 2019, Yi Hua Hldg recorded revenue of approximately RMB613 million, total comprehensive loss of approximately RMB581 million and total net liabilities of RMB426 million. The main concern is, as at 31st December, 2019, the current liabilities exceeded its current assets by approximately RMB865 million. To tackle the concern, Yi Hua Hldg has made some measurements: (i) implementing various cost control measures to improve the operating performance of the retailing business; (ii) certain investment properties and property, plant and equipment, which being free from any encumbrances, could be pledged to provide additional financial resources when needed.

The Group believes that, Yi Hua Hldg will continue to focus on optimizing the operation enhancement of core business while seizing the opportunities arising from consumption upgrade in the course of transformation and strengthening the development of new business so as to strengthen its resilience. Therefore, the Group holds 26,578,278 shares in Yi Hua Hldg, representing 2.650% interest in the issued share capital of Yi Hua Hldg based on the unaudited annual result at 31st December, 2019. No dividend was received during the year.

7. Bank of Communications Co., Ltd. (“Bank Com.”)

Bank Com. is incorporated in the PRC and is principally engaged in provision of banking and related financial services.

Pursuant to the annual report for the year ended 31st December, 2019, Bank Com. recorded profit of approximately RMB78,062 million, total comprehensive income of approximately RMB 81,264 million and net assets of approximately RMB800,912 million. During the period, Bank Com. realized a profit attributable to shareholders of Bank Com. of approximately RMB77,281 million, an increase of 4.96% compared with prior year. Return on average total assets (“ROA”) was 0.80% and return on average equity (“ROE”) was 11.20%.

The Group agrees that Bank Com. believes that, despite more uncertainties ahead for global economy, the condition for high-quality economic development in China are constantly improving. With counter cyclical adjustments strengthened, China’s economic growth turns to stabilise amid slowdown. The impact of the coronavirus pandemic will be under control. Therefore, the Group holds 1,000,000 shares in Bank Com, representing 0.0013% interest in the issued share capital of Bank Com based on the annual report at 31st December, 2019. No dividend was received during the year.

8. Bank of China (“BOC”)

BOC is incorporated in the PRC and is principally engaged in provision a full range of corporate banking, personal banking, treasury operations, investment banking, insurance and other services to its customers in the Chinese mainland, Hong Kong, Macau, Taiwan and other major international financial centres.

Pursuant to the annual report for the year ended 31st December, 2019, BOC recorded profit of approximately RMB201,891 million, total comprehensive income of approximately RMB223,666 million and net assets of RMB1,976,696 million. BOC realized a profit attributable to equity holders of RMB187,405 million, a year-on-year increase of 4.06%. Return on average total assets (“ROA”) was 0.92% and return on average equity (“ROE”) was 11.45%.

The Group believes that although COVID-19 will have a temporary economic impact, the outlook towards growth for the Chinese economy will remain unchanged. The banking industry will face a more severe and complicated environment, with challenges and opportunities coexisting. Therefore, the Group holds 4,600,000 shares in Bank of China, representing 0.0016% interest in the issued share capital of BOC based on the annual report at 31st December, 2019 and derived a dividend income of HK\$864,000 for the year ended 31st March, 2020.

#### 9. Gemilang International Limited ("Gemilang")

Gemilang is incorporated in Cayman Islands and is principally engaged in design and manufacture bus bodies and assemble buses and have over 25 years of track record in the industry.

Pursuant to the annual report for the year ended 31st October, 2019, Gemilang recorded revenue of approximately US\$63 million, total comprehensive income of approximately US\$4 million and net assets of approximately US\$20 million. Gemilang generated revenue of approximately US\$57 million and US\$63 million for the years ended 31st October, 2018 and 2019 respectively. The increase in revenue was primarily due to the significant increase in delivery of bus bodies to Singapore, Hong Kong and United Arab Emirates, which was offset by decrease in delivery of bus bodies to Malaysia and Uzbekistan and change in mode of business in Australia and Zealand during the year compared to the year ended 31st October, 2018.

The Group believes that Gemilang's objective is to become one of the leading bus manufacturing solution providers in Asia. Gemilang trusts the Asian market has a lot of growth potential as countries continue to urbanise with a growing population and bus is a convenient and cost efficient form of public transportation that can be implemented in many areas. Gemilang believes they are well positioned and equipped with the technological capability to capture this opportunity. Therefore, the Group holds 4,791,250 shares in Gemilang representing 1.906% interest in the issued share capital of Gemilang based on the annual report at 31st October, 2019 and derived a dividend income of HK\$143,000 for the year ended 31st March, 2020.

#### 10. Kwong Man Kee Group Limited ("KMK")

KMK is incorporated in Cayman Islands and is principally engaged in provision of engineering services in flooring, screeding, anti-skid surfacing and concrete repairing.

Pursuant to the interim report ended 30th September, 2019, KMK recorded revenue of approximately HK\$47 million, and total comprehensive income of approximately HK\$0.8 million and net assets of approximately HK\$79 million. During the period, the decrease of revenue was mainly driven by the delay in commencement of some projects being secured from the property developers caused by market and economic uncertainty since June 2019.

The Group believes that, KMK will continue to focus on (i) explore new business opportunities through existing network; (ii) keep track of any new construction and refurbishment projects in car park flooring markets in Hong Kong and Macau; (iii) expand the business in their ancillary service, i.e. specialized texture painting and waterproofing works. Therefore, the Group holds 30,003,000 shares in KMK, representing 5% interest in the issued share capital of KMK based on the interim report at 30 September, 2019 and derived a dividend income of HK\$188,000 for the year ended 31st March, 2020.



## Unlisted investments

Name of investee companies	Proportion of shares capital own	As at 31st March, 2020			Approximately % of total assets of the Group (by Fair Value)	Proportion of shares capital own	As at 31st March, 2019		Approximately % of total assets of the Group (by Fair Value)
		Cost	Fair Value				Cost	Fair Value	
		<i>HK\$'000</i>	<i>HK\$'000</i>				<i>HK\$'000</i>	<i>HK\$'000</i>	
Guangzhou Jingyeng Aqua-Culture Company Limited	1.60%	4,220	3,530	3.10%	1.60%	4,220	5,228	3.29 %	
Diamond Motto Limited	16.67%	11,667	9,105	7.99%	16.67%	11,667	11,546	7.26%	
JBB Builders Investment Limited	-	-	-	-	2.84%	5,000	12,600	7.93%	

A brief description of the business, financial performance and prospect of the unlisted securities investments is as follows:

### 1. Guangdong Jingyeng Aquaculture Company Limited (“Jingyeng Aquaculture”)

Jingyeng Aquaculture is incorporated in The People's Republic of China and is principally engaged in business of aquaculture and feed production during the year.

Pursuant to the annual report for the year ended 31st December, 2019, Jingyeng Aquaculture recorded net profit was approximately RMB17.66 million and net assets of approximately RMB213.95 million. Jingyeng Aquaculture’s net profit margin for the year was about 5.19%.

The Group believes that there will be steady growth in agricultural and feed production business in China and it is beneficial to Jingyeng Aquaculture. Therefore, the Group holds 1.6% interest in the issued share capital of Jingyeng Aquaculture. No dividend was derived during the year. The net assets attributable to the Group based was approximately HK\$3,748,000 (2019: HK\$3,646,000).

### 2. Diamond Motto Limited (“Diamond Motto”)

Diamond Motto is incorporated in the British Virgin Islands and was principally engaged in business of investment holding during the year. LMP International Limited (“LMP”) is the only investment of Diamond Motto. The principal activities of LMP is the trading of furnishings and provision of interior design, fitting out and decoration services.

Pursuant to the unaudited financial statements of Diamond Motto for the year ended 31st March, 2020, Diamond Motto recorded net loss was approximately HK\$4.91 million and the net assets was approximately HK\$1.88 million.

The Group believes there is strong housing needs in Hong Kong in the foreseeable future and is optimistic about the interior and decoration business. Therefore, the Group holds 50 shares in Diamond Motto, representing 16.67% interest in the issued share capital of Diamond Motto. No dividend was received during the year. Based on the unaudited financial statements of Diamond Motto at 31st March, 2020, the Group’s share of the net assets of Diamond Motto was approximately HK\$314,000 (2019: HK\$2,179,000).

In addition, the net realised and unrealised loss on financial assets at fair value through profit or loss for the year ended 31st March, 2020 amounted to approximately HK\$42.46 million was mainly due to the listed and unlisted investment and the relevant breakdown are as follows:

<u>Name of investee companies</u>	<u>Realised</u>		<u>Unrealised</u>		<u>Net realised and unrealised loss</u> <i>HK\$'000</i>
	<u>Disposal consideration</u> <i>HK\$'000</i>	<u>Cost of investment</u> <i>HK\$'000</i>	<u>Net gain/(loss)</u> <i>HK\$'000</i>	<u>Net loss</u> <i>HK\$'000</i>	
<i>Listed investment</i>					
CK Hutchison Holdings Limited (Stock Code: 0001)	-	-	-	(1,206)	(1,206)
PCCW Limited (Stock Code: 0008)	-	-	-	(3,538)	(3,538)
MTR Corporation Limited (Stock Code:0066)	-	-	-	(790)	(790)
China Construction Bank Corporation (Stock Code: 0939)	7,725	(7,733)	(8)	(4)	(12)
JBB Builders International Limited (Stock Code:1903)	6,433	(7,105)	(672)	(2,754)	(3,426)
Yi Hua Holdings Limited (Stock Code: 2213)	-	-	-	(14,751)	(14,751)
Bank of China Limited (Stock Code:3988)	1,853	(1,806)	47	(3,025)	(2,978)
Gemilang International Limited (Stock Code: 6163)	-	-	-	(2,396)	(2,396)
Kwong Man Kee Group Limited (Stock Code: 8023)	-	-	-	(2,261)	(2,261)
Chi Ho Development Holdings Limited (Stock Code: 8423)	-	-	-	(2,552)	(2,552)
Others	1,589	(1,512)	77	(4,484)	(4,407)
			(556)	(37,761)	(38,317)
<i>Unlisted investment</i>	-	-	-	(4,139)	(4,139)
Total			(556)	(41,900)	(42,456)

## **FINANCIAL REVIEW**

### **Liquidity and financial resources**

As at 31st March, 2020, the Group had bank balances and cash of approximately HK\$5,745,000 (2019: HK\$25,713,000). The Board believes that the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

As at 31st March, 2020, none of listed equity securities of the Group had been pledged to secure margin facilities and loans granted by a related company.

### **Gearing ratio**

Gearing ratio had not been presented (2019: nil) as there was no debt as at 31st March, 2020 (2019: HK\$ nil).

### **Dividend**

The Board has resolved not to recommend any payment of final dividend.

### **Capital structure**

There was no change to the Group's capital structure for the year ended 31st March, 2020.

### **Capital commitment and contingent liabilities**

As at 31st March, 2020, the Group had no material capital commitment and contingent liabilities

### **Material Acquisition and Disposal**

During the Year, the Group had not made any material acquisition or disposal of subsidiaries and associates.

### **Exposure to foreign currency fluctuation and related hedges**

The Board believes that the foreign exchange risk is minimal as the Group mainly uses Hong Kong dollars to carry out its business transactions. Therefore, there was no material foreign exchange exposure to the Group.

### **Share options**

The Company does not have share option scheme.

## **AUDIT COMMITTEE**

The Audit Committee of the Group had reviewed the consolidated results of the Group for the year ended 31st March, 2020, including the accounting principles and accounting practices adopted by the Group, and discussed matters relating to auditing, internal controls and risk management system, financial reporting and internal audit function. The figures in respect of the preliminary announcement of the Group's results for the year ended 31st March, 2020 have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by HLB Hodgson Impey Cheng Limited on the preliminary announcement.

The audit committee of the Group consists of 4 independent non-executive directors, namely Mr. CHAN Chung Yee, Alan, Dr. FUNG Lewis Hung, Mr. TANG Hon Bui, Ronald and Mr. KWOK Ming Fai.

## **CORPORATE GOVERNANCE**

The Company complied with the code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules (the "CG Code") throughout the year ended 31st March, 2020, except for the following.

### **Code Provision A.4.1**

Under the code provision A.4.1, non-executive directors should be appointed for a specific term and subject to re-election. None of the independent non-executive directors of the Company were appointed for a specific term. None of the non-executive directors has entered or proposed to enter into any service contracts with the Company or its subsidiaries. But all directors of the Company are subject to the retirement by rotation according to the provisions under article 157 of the Articles of Association of the Company. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code.

### **Code Provision A.6.7**

Under the code provision A.6.7, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. The independent non-executive director, Mr. CHAN Chung Yee, Alan was unable to attend the annual general meeting ("AGM") on 16th August, 2019 due to his other business engagements. This constitutes a deviation from code provision A.6.7 of the CG Code. Moreover, non attendance of this Independent Non-executive Director may also constitute deviation from code provision E.1.2 of the CG Code. Despite of that independent non-executive director, all the other directors of the Company were present in the AGM.

## **EMPLOYMENT AND REMUNERATION POLICIES**

As at 31st March, 2020, the Group employed a total of 3 full-time employees (2019: 3), including the executive directors of the Group. Employees' remuneration are fixed and determined with reference to the market rate.

### **SUFFICIENCY OF PUBLIC FLOAT**

According to the information that is publicly available to the Company and within the knowledge of the Board, the percentage of the Company's shares which are in the hands of the public exceeds 25% of the Company's total number of issued shares.

### **REMUNERATION COMMITTEE**

The Remuneration Committee was set up on 22nd July, 2005 and the members comprised of four independent non-executive directors, Mr. CHAN Chung Yee, Alan, Dr. FUNG Lewis Hung, Mr. TANG Hon Bui, Ronald and Mr. KWOK Ming Fai and executive director, Mr. CHENG Wai Lun, Andrew. During the past one year, the remuneration committee had one meeting.

### **NOMINATION COMMITTEE**

The Nomination Committee was set up on 21st March, 2012 and the members comprised of four independent non-executive directors, Mr. CHAN Chung Yee, Alan, Dr. FUNG Lewis Hung, Mr. TANG Hon Bui, Ronald and Mr. KWOK Ming Fai and executive director, Mr. CHENG Wai Lun, Andrew. During the past one year, the nomination committee had two meetings.

### **REPURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries repurchase, sold or redeemed any of the Company's listed securities during the year.

### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules as the Code of conduct regarding securities transactions by the directors. Having made specific enquiry of all directors, the Company confirmed that all directors have complied with the required standard set out in Model Code during the year.

### **CLOSURE OF REGISTER OF MEMBERS**

The forthcoming annual general meeting of the Company is scheduled to be held on Friday, 14th August, 2020 (the "AGM"). The register of members of the Company will be closed from Tuesday, 11th August, 2020 to Friday, 14th August, 2020, both days inclusive, during which period no transfer of shares will be registered. In order to determine the identity of the shareholders who are entitled to attend and vote at the annual general meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Standard Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than on 4:30 p.m. on Monday, 10th August, 2020.

**PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT**

This results announcement is published on the Stock Exchange's website (<http://www.hkex.com.hk>) and the Company's website (<http://www.uba.com.hk>) under the section of "Annual Report and Announcements". The 2020 annual report will be dispatched to the shareholders and will be available on websites of the Stock Exchange and the Company in due course.

By order of the Board  
**UBA INVESTMENTS LIMITED**  
**WONG Yun Kuen**  
*Chairman and Executive Director*

Hong Kong, 22nd June, 2020

*As at the date of this announcement, the Board of the Company consists of Dr. WONG Yun Kuen as chairman and executive director and Mr. CHENG Wai Lun, Andrew as executive director; Mr. CHAN Chung Yee, Alan, Dr. FUNG Lewis Hung, Mr. TANG Hon Bui, Ronald and Mr. KWOK Ming Fai as independent non-executive directors.*

*\* For identification only*