



UBA INVESTMENTS LIMITED

(incorporated in the Cayman Islands with limited liability)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED MARCH 31, 2002

RESULTS

The board of directors (the “Directors”) of UBA Investments Limited (the “Company”) is pleased to announce that the audited consolidated results of the Company and its subsidiaries (together the “Group”) for the year ended March 31, 2002 are as follows:

CONSOLIDATED INCOME STATEMENT

	<i>Notes</i>	2002 <i>HK\$</i>	2001 <i>HK\$</i>
Turnover	(1)	27,799,964	36,380,471
Purchase costs of listed securities		(25,007,596)	(32,770,760)
Net unrealised holding gain (loss) on other investments, listed		12,674,237	(27,233,659)
Other revenue	(2)	1,285,784	2,076,932
Administrative and other operating expenses		(2,697,273)	(4,427,859)
Profit (loss) from operations	(3)	14,055,116	(25,974,875)
Finance costs		(408)	(16,741)
Profit (loss) before taxation		14,054,708	(25,991,616)
Taxation	(4)	–	819,573
Net profit (loss) for the year attributable to shareholders		14,054,708	(25,172,043)
Earnings (loss) per share	(5)		
– Basic		1.4 cents	(2.5 cents)
– Diluted		1.4 cents	(2.3 cents)

Notes:

1. Turnover

The analysis of turnover for the year is as follows:

	2002 <i>HK\$</i>	2001 <i>HK\$</i>
Proceeds from sale of listed securities	27,510,942	35,036,022
Dividend income from listed securities	289,022	1,344,449
	<u>27,799,964</u>	<u>36,380,471</u>

2. Other revenue

The analysis of other revenue for the year is as follows:

	2002 <i>HK\$</i>	2001 <i>HK\$</i>
Interest income	1,285,784	1,952,456
Commission income	–	100,000
Other income	–	24,476
	<u>1,285,784</u>	<u>2,076,932</u>

3. Profit (loss) from operations

Profit (loss) from operations has been arrived at after charging:

	2002 <i>HK\$</i>	2001 <i>HK\$</i>
Auditors' remuneration		
– Current year	106,000	96,000
– Overprovision in prior year	–	(2,000)
	<u>106,000</u>	<u>94,000</u>
Investment management fee	1,343,368	1,519,716
Staff costs	447,900	462,846
Impairment loss on value of investment in unlisted equity securities	–	1,415,000
	<u>–</u>	<u>1,415,000</u>

4. Taxation

	2002 HK\$	2001 HK\$
Taxation represents:		
Hong Kong profits tax:		
Provision for current year	–	(200,000)
Underprovision in respect of prior year	–	(1,427)
Deferred taxation	–	1,021,000
	<hr/>	<hr/>
	–	819,573
	<hr/> <hr/>	<hr/> <hr/>

Provision for Hong Kong profits tax has not been made as there are no assessable profits for the year.

In the previous year, Hong Kong profits tax was calculated at 16% (2001: 16%) on the estimated assessable profit for that year.

5. Earnings (loss) per share

The basic earnings (loss) per share is based on profit of HK\$14,054,708 (2001: loss HK\$25,172,043) and the weighted average of 1,010,714,000 (2001: 1,001,105,490) ordinary shares in issue during the year.

The diluted earnings per share for the year is based on 1,033,105,658 (2001: 1,107,097,321) ordinary shares which was the weighted average number of ordinary shares in issue during the year plus the weighed average of 22,391,658 (2001: 105,991,831) ordinary shares deemed to be issued at no consideration if all outstanding warrants had been exercised.

DIVIDEND

The Directors consider it is more appropriate for the Company to retain our financial resources for investing as and when attractive investment opportunities arise, the Directors have resolved not to recommend a payment of final dividend.

BUSINESS REVIEW

For the financial year under review, the Hang Seng Index dropped from 12,760.64 in April 2001 to 11,032.92 by the end of March 2002, representing a decrease of 13.5%.

Our economy slowdown which was further worsen by the terrorist attack of 911 in the USA. This tragic incident had a direct adverse effect on both our economy and the stock market.

Despite such a all adverse market in general, our investment portfolio shows a very encouraging performance. The total realised and unrealised gain on our listed portfolio was approximately HK\$15.5 million, and the net asset value per share of the Company raised by approximately 16.3%.

PROSPECTS

Indications that the Fed interest rates will be on hold for the coming few months and expectation that our economy is bottoming out have led to the market rebound further since our year end.

We expect the stock market could be driven up by liquidity flows although in the absence of major drivers, the upside will be limited. However, once factors such as local confidence improve or signs of economy recovery will push the market beyond the barrier.

The inflow of fund from the Qualified Domestic Institutional Investors (QDII) scheme in the second half of 2002 may also be a stimulus for the local stock market.

On the local side, concerns regarding the record of high unemployment rate, contracted retail sales and persist deflation may lead to investors predict that the pace of economic recovery may be more sluggish than expected.

The abolishment of the PRC tourist quota system and the city wide summer promotion campaign “Mega Hong Kong Sale” organised by the Hong Kong Tourism Board will provide opportunity for the local retail sector and assist in recovery of our economy and consumer confidence.

On the other hand, concerns of another US invasion, violence attack in the Middle East and tension between India and Pakistan may send the index down.

FINANCIAL REVIEW

As at March 31, 2002, the Group had cash and bank balances of approximately HK\$7.5 million (March 31, 2001: HK\$3.6 million) and had no other borrowing.

CODE OF BEST PRACTICE

During the year ended March 31, 2002, the Company was in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended March 31, 2002, there was no purchase, sale or redemption by the Company or any of its subsidiaries of its listed securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or other stock exchanges.

PUBLICATION OF RESULTS ON THE STOCK EXCHANGE’S WEBSITE

All the information required by paragraphs 45(1) to 45(3) inclusive of Appendix 16 of the Listing Rules will be published on the Stock Exchange’s website in due course.

By Order of the Board
Li Kwok Cheung, George
Executive Director

Hong Kong, June 10, 2002

Please also refer to the published version of this announcement in The Standard.