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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, 2014

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, 2014 with comparative figures for the previous financial year are as follows:

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

| | <i>Note</i> | 2014 HK\$ | 2013 HK\$ |
|--|-------------|----------------------------|---------------------|
| Turnover | 3 | 188,322,702 | 101,104,482 |
| Costs of listed securities disposed | | (183,050,355) | (92,005,178) |
| Other revenue | 4 | 252,453 | 964,072 |
| Other net gain | 4 | 2,147,469 | 1,613,587 |
| Impairment loss on available-for-sale financial assets | | (6,491,425) | (9,335,000) |
| Administrative and other operating expenses | | (4,412,303) | (4,307,176) |
| Finance costs | 6 | (164,496) | (33,028) |
| Loss before taxation | 7 | (3,395,955) | (1,998,241) |
| Income tax expense | 8 | - | - |
| Loss for the year attributable to equity holders of the Company | | (3,395,955) | (1,998,241) |
| Loss per share | | | |
| Basic | 9 | (0.32cents) | (0.19cents) |
| Diluted | | N/A | N/A |
| Dividend | | Nil | Nil |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH, 2014

| | 2014 <i>HK\$</i> | 2013 <i>HK\$</i> |
|---|----------------------------|-------------------------|
| Loss for the year attributable to equity holders of the Company | <u>(3,395,955)</u> | <u>(1,998,241)</u> |
| Other comprehensive income <i>Items that may be reclassified subsequently to profit or loss</i> | | |
| Available-for-sale financial assets: | | |
| - Fair value changes during the year | 3,197,375 | 4,199,792 |
| - Reclassification adjustments transferred to consolidated income statement | | |
| - Released upon disposal of available-for-sale financial assets | (29,434) | 821,381 |
| - Impairment loss | 24,883 | - |
| Other comprehensive income for the year, net of tax | <u>3,192,824</u> | <u>5,021,173</u> |
| Total comprehensive (loss)/income attributable to equity holders of the Company | <u><u>(203,131)</u></u> | <u><u>3,022,932</u></u> |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH, 2014

| | <i>Note</i> | 2014 HK\$ | 2013 HK\$ |
|---|-------------|----------------------------|---------------------|
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | | 20,606 | 28,998 |
| Available-for-sale financial assets | 10 | 23,486,266 | 26,205,685 |
| | | 23,506,872 | 26,234,683 |
| CURRENT ASSETS | | | |
| Amounts due from investee companies | | 4,446,824 | 3,745,168 |
| Amounts due from related companies | | 1,081,082 | 499,895 |
| Deposits | | 66,060 | 66,060 |
| Financial assets at fair value through profit or loss | 11 | 73,308,138 | 48,043,759 |
| Cash and bank balances | | 5,617,202 | 32,412,976 |
| | | 84,519,306 | 84,767,858 |
| CURRENT LIABILITIES | | | |
| Accruals | | 242,652 | 249,962 |
| Deposit received | | - | 2,765,922 |
| Other payables | | 1,884,200 | 1,884,200 |
| | | 2,126,852 | 4,900,084 |
| NET CURRENT ASSETS | | 82,392,454 | 79,867,774 |
| NET ASSETS | | 105,899,326 | 106,102,457 |
| CAPITAL AND RESERVES | | | |
| Share capital | | 10,597,782 | 10,597,782 |
| Reserves | | 95,301,544 | 95,504,675 |
| TOTAL EQUITY | | 105,899,326 | 106,102,457 |
| NET ASSET VALUE PER SHARE | 12 | 0.10 | 0.10 |

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

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, Ugland 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 are engaged in investment holding and trading of securities.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

2. PRINCIPAL ACCOUNTING POLICIES

The 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.

(a) Adoption of new and revised HKFRSs

The Group has adopted the following new and revised HKFRSs for the first time for the current year’s financial statements.

| | |
|---------------------------------------|---|
| HKFRS 1 Amendments | Amendments to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards - Government Loans</i> |
| HKFRS 7 Amendments | Amendments to HKFRS 7 <i>Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities</i> |
| HKFRS 10 | <i>Consolidated Financial Statements</i> |
| HKFRS 11 | <i>Joint Arrangements</i> |
| HKFRS 12 | <i>Disclosure of Interests in Other Entities</i> |
| HKFRS 13 | <i>Fair Value Measurement</i> |
| HKAS 1 Amendments | Amendments to HKAS 1 <i>Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income</i> |
| HKAS 19 (2011) | <i>Employee Benefits</i> |
| HKAS 27 (2011) | <i>Separate Financial Statements</i> |
| HKAS 28 (2011) | <i>Investments in Associates and Joint Ventures</i> |
| HK(IFRIC) - Int 20 | <i>Stripping Costs in the Production Phase of a Surface Mine</i> |
| Annual Improvements 2009 - 2011 Cycle | Amendments to a number of HKFRSs issued in June, 2012 |

Other than as further explained below regarding the impact of HKFRS 10, HKFRS 13 and HKAS 1 Amendments, the adoption of the new and revised HKFRSs has had no significant financial effect on these financial statements. The principal effects of adopting these new and revised HKFRSs are as follows:

2. PRINCIPAL ACCOUNTING POLICIES (CONT'D)

(a) Adoption of new and revised HKFRSs (Cont'd)

- 1) HKFRS 10 replaces the portion of HKAS 27 *Consolidated and Separate Financial Statements* that addresses the accounting for consolidated financial statements and addresses the issues in HK(SIC)-Int 12 *Consolidation – Special Purpose Entities*. It establishes a single control model used for determining which entities are consolidated. To meet the definition of control in HKFRS 10, an investor must have (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. The changes introduced by HKFRS 10 require management of the Group to exercise significant judgement to determine which entities are controlled.

As a result of the application of HKFRS 10, the Group has changed the accounting policy with respect to determining which investees are controlled by the Group.

The application of HKFRS 10 does not change any of the consolidation conclusion of the Group in respect of its involvement with investees as at 1st April, 2013.

- 2) HKFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The standard does not change the circumstances in which the Group is required to use fair value, but rather provides guidance on how fair value should be applied where its use is already required or permitted under other HKFRSs. HKFRS 13 is applied prospectively and the adoption has had no material impact on the Group's fair value measurements.
- 3) The HKAS 1 Amendments change the grouping of items presented in other comprehensive income. Items that could be reclassified (for recycled) to profit or loss at a future point in time (for example, net gain on hedge of a net investment, exchange differences on translation of foreign operations and net loss or gain on available-for-sale financial assets) are presented separately from items which will never be reclassified (for example, actuarial gains and losses on defined benefit plans and the revaluation of land and buildings). The amendments have affected the presentation only and have had no impact on the financial position or performance of the Group.

2. PRINCIPAL ACCOUNTING POLICIES (CONT'D)

(b) Issued but not yet effective HKFRSs

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements:

| | |
|--|---|
| HKFRS 9 | <i>Financial Instruments</i> ³ |
| HKFRS 14 | <i>Regulatory Deferral Accounts</i> ⁵ |
| HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments | Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) - <i>Investment Entities</i> ¹ |
| HKFRS 9 and HKFRS 7 Amendments | <i>Mandatory effective date of HKFRS 9 and transition disclosures</i> ⁴ |
| HKAS 19 (2011) Amendments | Amendments to HKAS 19 <i>Employee Benefits – Defined Benefit Plans: Employee Contributions</i> ² |
| HKAS 32 Amendments | Amendments to HKAS 32 <i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i> ¹ |
| HKAS 36 Amendments | Amendments to HKAS 36 <i>Impairment to Assets – Recoverable Amount Disclosures for Non-Financial Assets</i> ¹ |
| HKAS 39 Amendments | Amendments to HKAS 39 <i>Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting</i> ¹ |
| <i>Annual Improvements 2010 – 2012 Cycle</i> | Amendments to a number of HKFRSs issued in December, 2013 ⁶ |
| <i>Annual Improvements 2011 – 2013 Cycle</i> | Amendments to a number of HKFRSs issued in December, 2013 ² |
| HK(IFRIC)- Int 21 | <i>Levies</i> ¹ |

¹ Effective for annual periods beginning on or after 1st January, 2014

² Effective for annual periods beginning on or after 1st July, 2014

³ Effective for annual periods beginning on or after 1st January, 2015

⁴ The mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised

⁵ Effective for annual periods beginning on or after 1st January, 2016

⁶ Effective for annual periods beginning on or after 1st July, 2014, with limited exception

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application but is not yet in a position to state whether these new and revised HKFRSs would have any significant impact on its results of operations and financial position.

3. TURNOVER

| | 2014 <i>HK\$</i> | 2013 <i>HK\$</i> |
|---|---------------------|---------------------|
| Proceeds from sales of available-for-sale financial assets – listed equity securities | 1,096,136 | 1,882,302 |
| Proceeds from sales of available-for-sale financial assets – unlisted equity securities | 565,000 | - |
| Proceeds from sales of financial assets at fair value through profit or loss – listed equity securities | 184,101,767 | 96,834,142 |
| Dividend income from listed equity securities | 2,559,799 | 2,388,038 |
| | <u>188,322,702</u> | <u>101,104,482</u> |

No analysis of the Group's turnover 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 turnover 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.

4. OTHER REVENUE AND NET GAIN

| | 2014 <i>HK\$</i> | 2013 <i>HK\$</i> |
|---|---------------------|---------------------|
| Other revenue | | |
| Bad debt recovery | 234,507 | 945,633 |
| Interest income | 17,946 | 18,439 |
| | <u>252,453</u> | <u>964,072</u> |
| Other net gain | | |
| Net unrealised (loss)/gain on financial assets at fair value through profit or loss | (3,619,882) | 1,616,790 |
| Net gain/(loss) from futures and metals trading | 76,590 | (3,203) |
| Gain on disposal of a subsidiary (note 5) | 5,690,761 | - |
| | <u>2,147,469</u> | <u>1,613,587</u> |

5. DISPOSAL OF A SUBSIDIARY

In May 2013, the Company disposed of its 100% equity interest in Smart Hero Holdings Limited (“Smart Hero”).

The net assets of Smart Hero at the date of disposal were as follows:

| | <i>HK\$</i> |
|---|------------------|
| Analysis of assets and liabilities over which control was lost: | |
| Available-for-sale financial assets | 7,282 |
| Amount due from an investee company | 2,386,168 |
| Net assets disposed of | <u>2,393,450</u> |
| | |
| Total consideration | 8,084,211 |
| Net assets disposed of | 2,393,450 |
| Gain on disposal | <u>5,690,761</u> |
| | |
| Satisfied by: | |
| Cash | <u>8,084,211</u> |
| | |
| Net cash inflow arising on disposal: | |
| Total cash consideration received | <u>8,084,211</u> |

6. FINANCE COSTS

| | 2014 <i>HK\$</i> | 2013 <i>HK\$</i> |
|---|----------------------------|----------------------------|
| Interest on other borrowings wholly repayable within five years | <u>164,496</u> | <u>33,028</u> |

7. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging:

| | 2014 <i>HK\$</i> | 2013 <i>HK\$</i> |
|--|----------------------------|----------------------------|
| Auditors' remuneration | | |
| Current year | 186,000 | 170,000 |
| Underprovision in prior year | 10,000 | - |
| | 196,000 | 170,000 |
| Depreciation | 8,392 | 7,706 |
| Investment management fee paid to a related company | 1,739,144 | 1,621,444 |
| Staff costs, including defined contributions of HK\$19,500(2013: HK\$19,745) to MPF Scheme | 589,231 | 564,973 |
| Minimum lease payments on properties under operating leases | 264,000 | 246,000 |

8. INCOME TAX EXPENSE

- a) No provision for Hong Kong profits tax has been made as the Group sustained a tax loss for the years ended 31st March, 2014 and 31st March, 2013.
- b) Reconciliation between income tax expense and the Group's accounting loss at the statutory income tax rate is set out below:

| | 2014 <i>HK\$</i> | 2013 <i>HK\$</i> |
|--|----------------------------|---------------------|
| Loss before taxation | <u>(3,395,955)</u> | <u>(1,998,241)</u> |
| Tax effect at the statutory income tax rate of 16.5% (2013:16.5%) | (560,333) | (329,710) |
| Tax effect of profit not subject to taxation | (1,609,126) | (609,699) |
| Tax effect of non-deductible expenses | 1,113,588 | 1,666,920 |
| Tax effect on unrecognised temporary differences | 988 | (64) |
| Utilisation of tax losses previously not recognised | - | (1,186,284) |
| Tax effect of unused tax losses not recognised | <u>1,054,883</u> | <u>458,837</u> |
| Income tax expense | <u>-</u> | <u>-</u> |

- c) At the end of the reporting period, the Group has unutilised tax losses of HK\$40,754,000 (2013: HK\$34,360,000) available for offsetting against future taxable profits. However, no deferred tax asset has been recognised due to the unpredictability of future taxable profits. The tax losses may be carried forward indefinitely.

9. LOSS PER SHARE

The basic loss per share is based on the Group's loss attributable to equity holders of the Company of HK\$ 3,395,955 (2013: HK\$1,998,241) and the 1,059,778,200 (2013: 1,059,778,200) ordinary shares in issue during the year.

There is no diluted loss per share for the years ended 31st March, 2014 and 31st March, 2013 presented since the Company has no dilutive potential ordinary shares.

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

| | 2014 <i>HK\$</i> | 2013 <i>HK\$</i> |
|--|--------------------------|---------------------|
| Unlisted equity securities, at cost | 8,694,000 | 9,471,281 |
| Less: provision for impairment loss | (5,707,445) | (6,477,445) |
| | <u>2,986,555</u> | <u>2,993,836</u> |
| | | |
| Listed equity securities in Hong Kong | 20,499,711 | 23,211,849 |
| | <u>23,486,266</u> | <u>26,205,685</u> |
| | | |
| Market value of listed equity securities | <u>20,499,711</u> | <u>23,211,849</u> |

At the end of the reporting period, all available-for-sale financial assets are stated at fair value except for those unlisted equity securities, of which their fair values cannot be measured reliably. Fair values of listed equity securities have been determined by reference to published price quotations in active markets.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | 2014 <i>HK\$</i> | 2013 <i>HK\$</i> |
|---|--------------------------|---------------------|
| Equity securities, - listed in Hong Kong at fair value | 72,415,993 | 48,043,759 |
| | | |
| Derivative financial instruments at fair value | 892,145 | - |
| | <u>73,308,138</u> | <u>48,043,759</u> |
| | | |
| Market value of listed equity securities | <u>72,415,993</u> | <u>48,043,759</u> |

Derivative financial assets represent financial instruments for trading of precious metals with a financial institution. These are categorised as financial assets at fair value through profit or loss unless they are designated as hedges.

12. NET ASSET VALUE PER SHARE

The calculation of net asset value per share is based on the net assets of HK\$105,899,326 (2013: HK\$106,102,457) and the 1,059,778,200 (2013: 1,059,778,200) ordinary shares in issue as at 31st March, 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

For the year ended 31st March, 2014, UBA Investments Limited and its subsidiaries (the “Group”) recorded a loss attributable to equity holders of approximately HK\$3.4 million (2013: loss HK\$2 million) and of which a HK\$6.5 million (2013: HK\$9.3million) impairment loss was made in relation to available-for-sales financial asset. The loss per share was HK\$0.0032(2013: loss per share of HK\$0.0019). Turnover increasing from HK\$101.1 million to HK\$188.3 million was resulted from the continuous proactive investment strategy adopted by the management and consistence with the increasing transaction volume in Hang Seng Index as compared with last year. The Group recorded a profit before impairment loss and unrealized loss on financial assets at fair value through profit or loss was around HK\$6.7 million, which was mainly attributable to the disposal of investments amounting to HK\$5.7 million. As at 31st March, 2014, the net assets of the Group were approximately HK\$106 million (2013: HK\$106 million).

During the year, the Company took steps to explore opportunities to dispose certain investments which included the disposal of an investment at a consideration of HK\$8,084,000 and resulting a gain on disposal of HK\$5,690,000.

As at 31st March, 2014, the Group’s investment portfolio was well diversified and comprised of different sector of businesses which includes telecommunication service, transportation, retail businesses, properties and banking, etc. in which the available-for-sales financial assets and financial assets at fair value through profit or loss was approximately HK\$23 million and HK\$73 million respectively (2013: HK\$26 million and HK\$48 million respectively).

In 2013, the global economy witnessed tremendous volatility as a result of the speeches related to the tapering the scale of Quantitative Easing Three scheme (“QE3”) delivered by the retiring Chief of US Federal Reserve (the “Fed”) Bernanke in the first half. However the indicators of recovery of the economy, especially the non-farm payrolls, were weaker than expected in the third quarter and led the Fed put narrowing QE3 on hold. Afterward, the economic data showed that the US economy upturned in the last quarter of 2013. The Fed also announced at its December 2013 FOMC Meeting that it would lessen its securities-purchase program of approximately \$85 billion per month to \$75 billion per month starting from January 2014 while expecting that the extremely low interest rate environment will be maintained for a long period of time. Finally, Dow Jones Indexes reached the yearly high 16,479 in late December 2013.

On the other hand, China’s credit boom was still in full swing. Total credit in the social financing showed a growth of almost 20% last year and led to second Cash Crunch in December 2013. In addition, the China’s borrowing spree in recent year led the local debt swelled to 17.9 trillion RMB in December, which underscore risks to the financial system in China. These cash crunch and soaring local debt may lead to a solvency crisis in which an even higher debt burden and non-performing loans would eventually threaten both economic growth and financial reform. Meanwhile, the Central Government announced structural reform to steer China in the right direction in the Third Plenary Session of the 18th Central Committee of the Communist Party of China, which included both fiscal and monetary policy to stimulate the economic growth in the near future.

Heading into the first quarter of 2014, the speech of the new Fed Chairperson Janet Yellen (“Yellen”) in mid of March 2014 influenced the global markets significantly, especially she specially said the rate hike cycle may start 6 months after the Fed Taper, that expecting to start in the second quarter of 2015 and thus the global stock markets triggering sharp losses. Fortunately, the US economic data turning better in late March, like the Consumer Confidence Index rose to 5 years high to 82.3. Together with the rhetoric by Yellen that would start the rate hike cycle only when actual growth in economy are really strong. It is an indication for the investors that low interest rate environment will maintain for a longer period of time and consequently triggering a strong rally in global stock markets at the end of first quarter 2014.

On the other side, amid fears of lending bubbles, Chinese Government aggressively tightened credit and liquidity in 2014, which led to a reduction in fixed investment. In addition, the HSBC Flash China Purchasing Manufacturing Managers’ Index (“PMI”) also dropped to 7 months low of 48.3 in February and the gross domestic product (“GDP”) in first quarter 2014 decreased to 7.4% from 7.7% compared with fourth quarter 2013, which gave a signal of growth downturn. However, the Government announced to release the restriction on QFII and financing requirement of housing sector in late March led a positive effect toward China and the Shanghai Composite Index soaring 3.5% within the last week of March to 2,063.

Turning back to the Hong Kong stock market, it faced tremendous volatility during the year. As Hong Kong equities were sensitive to new surrounding global economic situation, so the market sentiment was heavily affected by the solvency crises and structural reform in China and especially tainted by the speeches of the Fed Chairperson Bernanke and Yellen this year. The Hang Seng Index (“HSI”) dropped from 23,493 in May to 19,855 in June and then rebound to 23,502 after Bernanke rhetoric on Tapering and maintaining QE3 in 2013. Afterward Yellen speech also led HSI dropped from 21,902 to 21,182 and then rebound to 22,151 within last two week of March 2014.

Prospects

Looking forward, we believe the coming year is full of challenges especially there may have rate hike cycle in US. US set the inflation as the indicator of maintaining the QE3 and interest rate may increase when the inflation rate is over 2%. In which the inflation gauge is now measured by personal consumption expenditures index (“PCE”) instead of traditional consumer price index (“PCI”) which is more consistent and easier to foster price stability. The PCE is keeping at around 1% which represents QE 3 may go on for a period and as a result stimulates growth in worldwide economy and stock markets.

Meanwhile, the Premier of the State Council of the People's Republic of China Li Keqiang announced the establishment of Shanghai - Hong Kong Stock Connect Programme in mid of April that allow investors from Shanghai and Hong Kong to invest in selected shares of the others stock market which leads to a positive effect to both Hong Kong and China equities markets. However, we also remain cautious on the lending bubbles and credit risks in China which may add volatility to the financial markets.

The Group remains cautiously optimistic about the outlook of the equities markets in global and Hong Kong. We seek out and evaluate good investment opportunities to expand our investment portfolio. We will also continue to adopt and maintain cautious and pragmatic investment approach in order to bring better return for our shareholders.

FINANCIAL REVIEW

Liquidity and financial resources

As at 31st March, 2014, the Group had bank balances and cash of HK\$5,617,202 (2013: HK\$32,412,976). The Board believes that the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

As at 31st March, 2014, 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 (2013: nil) as there was no debt as at 31st March, 2014 (2013: 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, 2014.

Capital commitment and contingent liabilities

As at 31st March, 2014, the Group had no material capital commitment and contingent liabilities.

Foreign currency fluctuation

The Board believes that the foreign exchange risk is minimal as the Group mainly uses Hong Kong dollars to carry out its business transactions.

Share options

The Company does not have share option scheme.

AUDIT COMMITTEE

The Audit Committee of the Company had reviewed the consolidated results of the Group for the year ended 31st March, 2014, including the accounting principles and accounting practices adopted by the Company, and discussed matters relating to auditing, internal controls and financial reporting. The figures in respect of the preliminary announcement of the Group's results for the year ended 31st March, 2014 have been agreed by the Group's auditors, Li, Tang, Chen & Co, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Li, Tang, Chen & Co 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 Li, Tang, Chen & Co on the preliminary announcement.

The audit committee of the Group consists of 3 independent non-executive directors, namely Mr. CHAN Chung Yee, Alan, Dr. FUNG Lewis Hung and Mr. TANG Hon Bui, Ronald.

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, 2014, 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 directors, Mr. CHAN Chung Yee, Alan and Mr. TANG Hon Bui, Ronald were unable to attend the annual general meeting (“AGM”) of the Company held on 16th August, 2013 due to their other business engagements. This constitutes a deviation from code provision A.6.7 of the CG Code. Moreover, non attendance of these Independent Non-executive Directors may also constitute deviation from code provision E.1.2 of the CG Code. Despite of the two independent non-executive directors, all the other directors of the Company were present in the AGM.

EMPLOYMENT AND REMUNERATION POLICIES

As at 31st March, 2014, the Group employed a total of 4 full-time employees (2013: 4), 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 independent non-executive directors, Mr. CHAN Chung Yee, Alan, Dr. FUNG Lewis Hung and Mr. TANG Hon Bui, Ronald and executive director, 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 independent non-executive directors, Mr. CHAN Chung Yee, Alan, Dr. FUNG Lewis Hung and Mr. TANG Hon Bui, Ronald and executive director, CHENG Wai Lun, Andrew. During the past one year, the nomination committee had one meeting.

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.

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 2014 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
CHAU Wai Hing
Chairman and Executive Director

Hong Kong, 16th June, 2014

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

* *For identification only*