

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



UBA INVESTMENTS LIMITED

開明投資有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 768)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

RESULTS

The board of directors (the “Board”) of UBA Investments Limited (the “Company”) is pleased to announce that the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2009 and the Group’s state of affairs as at that date together with the comparative figures as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September

	<i>Note</i>	<u>2009</u> (unaudited) <i>HK\$</i>	<u>2008</u> (unaudited) <i>HK\$</i>
Turnover	4	50,364,684	23,473,600
Costs of listed securities disposed		(33,220,920)	(22,027,394)
Other revenues	5	472	8,733
Other net gain/(loss)	5	2,735,412	(25,451,406)
Administrative and other operating expenses		(1,320,768)	(1,798,049)
Finance costs	6	<u>(83,960)</u>	<u>-</u>
Profit/(Loss) before taxation	7	18,474,920	(25,794,516)
Income tax expense	8	<u>-</u>	<u>-</u>
Profit/(Loss) for the period attributable to equity holders of the Company		<u>18,474,920</u>	<u>(25,794,516)</u>
Other comprehensive income			
Released upon disposal of available-for-sale financial assets		817,316	510,057
Fair value change on available-for-sale financial assets		<u>5,548,314</u>	<u>(17,627,436)</u>
Other comprehensive income for the period, net of tax		<u>6,365,630</u>	<u>(17,117,379)</u>
Total comprehensive income/(loss) attributable to equity holders of the Company		<u>24,840,550</u>	<u>(42,911,895)</u>
Earnings/(Loss) per share			
Basic	9	1.74 cents	(2.43 cents)
Diluted	9	N/A	N/A

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Note</i>	30 September <u>2009</u> (unaudited) <i>HK\$</i>	31 March <u>2009</u> (audited) <i>HK\$</i>
Non-current assets			
Property, plant and equipment		2,984	6,484
Available-for-sale financial assets	10	<u>26,687,904</u>	<u>24,490,291</u>
		26,690,888	24,496,775
Current assets			
Amounts due from investee companies		11,141,169	11,201,169
Amounts due from related companies		2,153,530	426,084
Other receivables, prepayments and deposits	11	7,940,962	433,987
Financial assets at fair value through profit or loss	12	54,678,556	50,642,388
Cash and bank balances		<u>17,438,942</u>	<u>5,000,222</u>
		93,353,159	67,703,850
Current liabilities			
Accruals		56,000	204,018
Interest bearing borrowings	13	7,092,971	3,942,081
Provision for taxation		<u>25,000</u>	<u>25,000</u>
		7,173,971	4,171,099
Net current assets		<u>86,179,188</u>	<u>63,532,751</u>
Net assets		112,870,076	88,029,526
Capital and reserves			
Share capital		10,597,782	10,597,782
Reserves		<u>102,272,294</u>	<u>77,431,744</u>
Total equity		112,870,076	88,029,526
Net asset value per share	14	0.11	0.08

Notes on the condensed financial statements

1. Corporate Information

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 Uglan House, South Church Street, P.O. Box 309, George Town, Grand Cayman, Cayman Islands, British West Indies. The principal place of business is 2nd Floor, Wah Kit Commercial Centre, 302 Des Voeux Road Central, Hong Kong. The Company and its subsidiaries are engaged in investment holding and trading of securities.

2. Basis Of Preparation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited.

The condensed consolidated financial statements do not include all the information and disclosure required in the annual consolidated financial statements, and should be read in conjunction with the Company and its subsidiaries (“the Group”) annual consolidated financial statements at 31 March 2009.

3. Accounting policies

The unaudited condensed consolidated financial statements have been prepared under the historical cost basis, except for available-for-sale financial assets and financial assets at fair value through profit or loss which are stated at fair values, as appropriate.

The accounting policies used in the condensed consolidated financial statement are consistent with those used in the annual consolidated financial statements of the Group for the year ended 31 March 2009.

In the current interim period, the Group has adopted, for the first time, a number of new standards, amendments and interpretations issued by the HKICPA, which are effective for accounting periods beginning on or after 1 January 2009.

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32, HKAS 39 & HKFRS 7(Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27(Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or an Associate
HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures About Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 &HKAS39 (Amendment)	Reassessment of Embedded Derivatives and HKAS 39 Financial Instruments: Recognition and Measurement – Embedded Derivatives

HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation
Various	Annual Improvements to HKFRSs 2008

Other than as noted below, the adoption of these new and revised HKFRSs did not result in significant changes in the Group’s accounting policies.

HKAS 1 (Revised 2007) Presentation of financial statements

The adoption of HKAS 1 (Revised 2007) makes certain changes to the format and titles of the primary financial statements and to the presentation of some items within these statements. It also gives rise to additional disclosures. The measurement and recognition of the Group’s assets, liabilities, income and expenses is unchanged. However, some items that were recognised directly in equity are now recognised in other comprehensive income. HKAS 1 affects the presentation of changes in equity and introduces a “Statement of Comprehensive Income”. Comparatives have been restated to conform with the revised standard.

The Group has not early applied the following new and revised standards and interpretation that have been issued, but are not yet effective, and are relevant to the operations of the Group.

HKAS 27 (Revised)	Consolidated and Separate Financial Statements ¹
HKAS 39 (Amendment)	Eligible Hedged Item ¹
HKFRS 1 (Revised)	First-time Adoption of HKFRSs ¹
HKFRS 2 (Amendment)	Share-based Payment – Group Cash-settled Share-based Payment Transactions ²
HKFRS 3 (Revised)	Business Combinations ¹
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners ¹
HK(IFRIC) – Int 18	Transfers of Assets from Customers ³
Various	Annual Improvements to HKFRS 2009 ⁴

¹ Effective for annual periods beginning on or after 1 July 2009.

² Effective for annual periods beginning on or after 1 January 2010.

³ Effective for transfers received on or after 1 July 2009.

⁴ Generally effective for annual periods beginning on or after 1 January 2010 unless otherwise stated in the specific HKFRS.

The Directors anticipate that the application of these new and revised standards and interpretation will have no material impact on the results and the financial position of the Group.

4. Turnover

	For the six months ended 30 September	
	<u>2009</u>	<u>2008</u>
	<u>HK\$</u>	<u>HK\$</u>
Proceeds from sale of available-for-sale financial assets – listed	5,235,817	4,696,552
Proceeds from sale of financial assets at fair value through profit or loss – listed	36,439,897	16,786,718
Net gain/(loss) from futures trading	3,489	(889,738)
Dividend income from listed equity securities	8,469,481	2,340,068
Dividend income from unlisted equity securities	<u>216,000</u>	<u>540,000</u>
	<u>50,364,684</u>	<u>23,473,600</u>

No analysis of the Group's turnover and contribution to operating profit/(loss) for the period 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 the markets in Hong Kong.

5. Other Revenues and Other Net Gain/(Loss)

	For the six months ended 30 September	
	<u>2009</u>	<u>2008</u>
	<u>HK\$</u>	<u>HK\$</u>
Other revenues		
Interest income	472	8,733
	<u>472</u>	<u>8,733</u>
Other net gain/(loss)		
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	2,735,412	(25,451,406)
	<u>2,735,412</u>	<u>(25,451,406)</u>

6. Finance Costs

	For the six months ended 30 September	
	<u>2009</u>	<u>2008</u>
	<u>HK\$</u>	<u>HK\$</u>
Interest on other borrowings wholly repayable within five years	83,960	-
	<u>83,960</u>	<u>-</u>

7. Profit/(Loss) Before Taxation

Profit/(Loss) before taxation has been arrived at after charging the following:

	For the six months ended 30 September	
	<u>2009</u> HK\$	<u>2008</u> HK\$
Depreciation	3,500	3,500
Investment management fee paid to a related company	791,767	1,051,605
Staff costs, including defined contributions of HK\$ 6,075(2008: HK\$6,075) to MPF Scheme	97,500	97,500
Minimum lease payments on properties under operating leases	120,000	120,000
	=====	=====

8. Income Tax Expense

No provision for Hong Kong profits tax has been made as the assessable profits of the Group were wholly offset by tax losses brought forward. (2008: No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits.)

9. Earnings/(Loss) Per Share

The calculation of the basic earnings/(loss) per share for the six months ended 30 September 2009 is based on the net gain attributable to equity holders for the period of HK\$18,474,920 (Net loss attributable to equity holders for the six months ended 30 September 2008: HK\$25,794,516) and on the weighted average number of 1,059,778,200 (For the six months ended 30 September 2008: 1,059,778,200) shares in issue during the period.

No diluted earnings per share for the six months ended 30 September 2009 and 2008 are presented respectively as the Company does not have dilutive potential ordinary shares.

10. Available-For-Sale Financial Assets

	30 September <u>2009</u> HK\$	31 March <u>2009</u> HK\$
Unlisted equity securities, at cost	6,636,281	6,636,281
Less: Provision for impairment loss	<u>(5,966,000)</u>	<u>(5,966,000)</u>
	670,281	670,281
Listed equity securities in Hong Kong	<u>26,017,623</u>	<u>23,820,010</u>
	26,687,904	24,490,291
	=====	=====
Market value of listed equity securities	<u>26,017,623</u>	<u>23,820,010</u>
	=====	=====

As at the balance sheet date, 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. Other Receivables, Prepayments and Deposits

	30 September <u>2009</u> <u>HK\$</u>	31 March <u>2009</u> <u>HK\$</u>
Other receivables	7,878,802	11,127
Prepayments	-	360,700
Deposits	<u>62,160</u>	<u>62,160</u>
	<u>7,940,962</u>	<u>433,987</u>
	=====	=====

No ageing analysis is disclosed for other receivables in view of the fact that they comprise mainly margin deposit for application of new shares during initial public offering (IPO) and rental deposits. The excess margin deposit will be refunded to the Group after the IPO closed.

12. Financial Assets At Fair Value Through Profit Or Loss

	30 September <u>2009</u> <u>HK\$</u>	31 March <u>2009</u> <u>HK\$</u>
Equity securities, - listed in Hong Kong at fair value	54,029,401	49,627,608
Derivative financial instruments at fair value	<u>649,155</u>	<u>1,014,780</u>
	<u>54,678,556</u>	<u>50,642,388</u>
	=====	=====
Market value of listed equity securities	<u>54,029,401</u>	<u>49,627,608</u>
	=====	=====

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

13. Interest Bearing Borrowings

The interest-bearing borrowings represent loans from margin accounts due to a related company, Upbest Investment Company Limited, for financing the purchases of listed securities.

The securities margin financing loans are repayable on demand, bearing interest at the effective interest rates at 9.50% per annum (For the financial year ended 31 March 2009: 9.50% to 9.75%). IPO financing is charged at 1.50% per annum (For the financial year ended 31 March 2009: N/A) and will be settled after IPO closed.

The loans are secured by certain listed equity securities with market value as follows:

	30 September <u>2009</u> <u>HK\$</u>	31 March <u>2009</u> <u>HK\$</u>
Market value of listed equity securities pledged for securing margin loans and facilities	<u>38,035,532</u>	<u>37,634,602</u>
	=====	=====

14. Net Asset Value Per Share

The calculation of net asset value per share is based on the net assets of HK\$112,870,076 (31 March 2009: HK\$ 88,029,526) and 1,059,778,200 (31 March 2009: 1,059,778,200) ordinary shares in issue as at 30 September 2009.

15. Interim Dividend

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 September 2009 (2008: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

For the six months ending 30 September 2009, net profit attributable to equity holders was approximately HK\$18.5 million. This is a substantial increase and turnaround when compared with a net loss of HK\$25.8 million in the last corresponding period. The Group benefited from rebound in the Hong Kong Securities market, and profited from on some investments. Dividend income was about HK\$8.7 million. The Group recorded a significant increase in turnover of approximately 114%, up from HK\$23.5 million to HK\$50.4 million in the same period this year. As at 30 September 2009, cash and bank balances were approximately about HK\$17.4 million.

Business Review

Financial markets in general continue to recover from the financial crisis that started over one year ago. The Group took this opportunity to rebalance its portfolio of listed securities. Undervalued investments were added to the portfolio while at the same time stocks that appeared expensive or perhaps facing selling pressure were reduced. Such disposal of financial assets resulted in a realised profit of HK\$8.5 million, as compared to a loss of HK\$544,124 in the same period last year.

Coinciding with the rebound in the Hong Kong securities market, the fair value of the Group's investment portfolio has appreciated, as reflected in the recognition of an unrealised gain of HK\$2.7 million and fair value increment of HK\$5.5 million.

Over 90% of the Group's investment portfolios have benefited from the market recovery. The net assets value of the Group has appreciated by 28.3% from HK\$88 million as at 31 March 2009 to HK\$112.9 million as at 30 September 2009. Management will continue to adopt a prudent investment approach and risk management while maintaining a low gearing position. The interest-bearing borrowing was HK\$7.1 million at the end of the period.

Prospects

Global financial markets are recovering from the financial crisis, as reflected by significant recoveries in major financial market indices around the world. The Hang Seng Index rebounded by 54.4% from approximately 13,576 as at 31 March 2009 to 20,955 as at 30 September 2009.

The Group has taken a prudent approach to generating profit from the rebound in Hong Kong Stocks during the past period. The management team shares a common view that financial markets may have overtaken the real economy. The management team is cautiously optimistic that the upward trend will continue, however with several potential corrections along the way.

Given our cautiously optimistic outlook, we believe that China will be leading the recovery into the next growth cycle. Therefore, we will be searching for specific value stocks that will likely outperform. The Group has sufficient cash (approximately 14.5% of total assets) to acquire new investments while they are

still being undervalued, and will continue to adhere this strategy.

In addition to investments in listed securities, the Group will search for direct investments in unlisted companies with high return potential. This may include investments in property development projects where the company can further leverage the experience of its management team.

The Group will continue to aggressively search out undervalued investments while maintaining a prudent approach to investment selection and holding.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30 September 2009, the Group had bank balances and cash of HK\$17,438,942 (31 March 2009: HK\$5,000,222). The Board believes that the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

As at 30 September 2009, part of the listed equity securities of the Group and the Company had been pledged to secure margin facilities and loans granted by a related company.

Gearing Ratio

As at 30 September 2009, the amount of total borrowings was HK\$7,092,971 (31 March 2009: HK\$3,942,081). The gearing being equal to approximately 6.28% (31 March 2009: 4.48%) of the net assets of HK\$112,870,076 (31 March 2009: HK\$88,029,526).

Dividend

The Board has resolved not to recommend a payment of interim dividend.

Capital Structure

There was no change to the Group's capital structure for the six months ended 30 September 2009.

Share Options

The Group does not adopt any share option scheme.

Capital commitment and contingent liabilities

As at 30 September 2009, the Group had no material capital commitment and contingent liabilities.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors by Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules. Upon enquiry by the Company, all Directors of the Company have confirmed that they have complied with the required standards set out in the Model Code throughout the Period.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited condensed accounts for the six months ended 30 September 2009 before recommending them to the Board for approval.

The Committee comprises three independent non-executive directors, namely Mr. Chan Chung Yee, Alan, Dr. Fung Lewis Hung and Mr. Tang Hon Bui, Ronald.

EMPLOYMENT AND REMUNERATION POLICIES

As at 30 September 2009, the Group employed a total of 5 full-time employees (2008: 5), including the executive directors of the Group. Employees' remuneration are fixed and determined with reference to the market rate.

CORPORATE GOVERNANCE

The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange ("Code") throughout the six months ended 30 September 2009, with deviations from code provisions A.4.1 of the Code only in respect of the service term of directors.

None of the independent non-executive directors of the Company were appointed for a specific term. But all the directors of the Company are subject to retirement by rotation according to the provisions under article 157 of the Articles of Association of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

REMUNERATION COMMITTEE

The Remuneration Committee was set up on 22 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, Li Kwok Cheung, George. During the past one year, the remuneration committee had one meeting.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group's assets and liabilities are denominated in Hong Kong Dollars and, therefore, the Group has no significant exposure to foreign exchange fluctuation.

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.

REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 September 2009, there was no repurchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

PUBLICATION OF THE INTERIM RESULTS AND INTERIM 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>). The 2009 interim 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
Li Kwok Cheung, George
Executive Director

Hong Kong, 1 December 2009

As at the date of this announcement, the executive directors of the Company comprise Mr. Li Kwok Cheung, George, Mr. Cheng Wai Lun, Andrew, Dr. Wong Yun Kuen and Mr. Chau Wai Hing. The independent non-executive directors of the Company comprise Mr. Chan Chung Yee, Alan, Dr. Fung Lewis Hung and Mr. Tang Hon Bui, Ronald.

* For identification only