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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)

### ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

#### RESULTS

The board of directors (the “Board”) of UBA Investments Limited (the “Company”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2023 and the Group’s state of affairs as at that date together with the comparative figures as follows:

#### CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September

	<i>Notes</i>	<b>2023 (unaudited) HK\$'000</b>	2022 (unaudited) HK\$'000
Gross proceeds from disposal of trading securities		<u>2,299</u>	<u>2,651</u>
<b>Revenue</b>	4	<b>4,580</b>	4,305
Loss from changes in fair value of financial assets at fair value through profit or loss	5	<b>(10,131)</b>	(16,460)
Other income		49	-
Administrative and other operating expenses		<u>(2,068)</u>	<u>(2,821)</u>
<b>Loss before taxation</b>	6	<b>(7,570)</b>	(14,976)
Income tax expense	7	-	-
<b>Loss and total comprehensive expenses for the period</b>		<u><b>(7,570)</b></u>	<u>(14,976)</u>
<b>Loss per share</b>			
Basic (HK cents)	8	<u><b>0.60</b></u>	<u>1.18</u>
Diluted (HK cents)		<u>N/A</u>	<u>N/A</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	<b>30 September 2023 (unaudited) HK\$'000</b>	<b>31 March 2023 (audited) HK\$'000</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment		-	-
<b>CURRENT ASSETS</b>			
Amounts due from related companies		157	335
Deposits		66	66
Financial assets at fair value through profit or loss	9	75,316	85,725
Cash and cash equivalents		7,113	4,323
		<b>82,652</b>	<b>90,449</b>
<b>CURRENT LIABILITY</b>			
Accruals		(98)	(325)
<b>NET CURRENT ASSETS</b>		<b>82,554</b>	<b>90,124</b>
<b>NET ASSETS</b>		<b>82,554</b>	<b>90,124</b>
<b>CAPITAL AND RESERVES</b>			
Share capital		12,717	12,717
Reserves		69,837	77,407
<b>TOTAL EQUITY</b>		<b>82,554</b>	<b>90,124</b>
<b>NET ASSET VALUE PER SHARE (HK\$)</b>	10	<b>0.065</b>	<b>0.071</b>

## **NOTES TO THE CONDENSED 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, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. The principal place of business 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 condensed 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**

These unaudited condensed consolidated interim financial statements for the six months ended 30 September 2023 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 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The unaudited 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 Group annual consolidated financial statements for the year ended 31 March 2023.

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

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for the financial assets at fair value through profit or loss which are measured at fair values.

Other than additional/ changing in accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards ("HKFRSs"), and application of certain accounting policies which became relevant to the Group in the current interim period, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2023 are the same as those presented in the Group's annual financial statements for the year ended 31 March 2023.

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA which are effective for the Group's financial year beginning on or after 1 April 2023:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The application of the new and amendments to HKFRSs in the current period had no material impact on the Group's consolidated financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

#### 4. REVENUE

	<b>For the six months ended 30 September</b>	
	<b>2023</b>	<b>2022</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Dividend income from:		
- Listed equity investment	<u><b>4,580</b></u>	<u><b>4,305</b></u>

No analysis of the Group's revenue and contribution to operating profit 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 revenue and the consolidated results of the Group are attributable to 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 investment and the disclosures of information regarding customers would not be meaningful.

#### 5. LOSS FROM CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

The following is the analysis of the gain/(loss) from changes in fair value of financial assets at FVTPL of the Group for the six months ended 30 September 2023 and 2022. The realised gain represents the fair value change of financial assets at FVTPL being disposed during the reporting period, while the unrealised loss represents the changes in fair value of financial assets at FVTPL held by the Group as at the end of reporting period:

	<b>For the six months ended 30 September</b>	
	<b>2023</b>	<b>2022</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
- Listed equity investment		
- Realised gain	<b>162</b>	98
- Unrealised loss	<u><b>(8,583)</b></u>	<u>(14,976)</u>
	<u><b>(8,421)</b></u>	<u>(14,878)</u>
- Unlisted equity investment		
- Unrealised loss	<u><b>(1,710)</b></u>	<u>(1,582)</u>
	<u><b>(10,131)</b></u>	<u>(16,460)</u>

## 6. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging the following:

	For the six months ended 30 September	
	2023 (unaudited) HK\$'000	2022 (unaudited) HK\$'000
Investment management fee paid to a related company	668	746
Short-term lease expense	132	132
Staff costs (including directors' remuneration)		
- Salaries, bonuses and other benefits	339	333
- Contributions to retirement benefits scheme	11	11
Total staff cost	<u>350</u>	<u>344</u>

## 7. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the Group did not generate any estimated assessable profits arising in Hong Kong for the six months ended 30 September 2023 and 2022.

## 8. LOSS PER SHARE

	For the six months ended 30 September	
	2023 (unaudited) HK\$'000	2022 (unaudited) HK\$'000
Loss for the period	<u>7,570</u>	<u>14,976</u>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>1,271,732,200</u>	<u>1,271,732,200</u>

No diluted loss per share for the six months ended 30 September 2023 and 2022 were presented as there were no potential ordinary shares in issue for both periods.

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

	<b>30 September 2023 (unaudited) HK\$'000</b>	31 March 2023 (audited) HK\$'000
Listed equity securities	74,666	83,365
Unlisted equity securities	<u>650</u>	<u>2,360</u>
	<u><b>75,316</b></u>	<u><b>85,725</b></u>
Market value of listed equity securities	<u><b>74,666</b></u>	<u><b>83,365</b></u>

For the six months ended 30 September 2023 and year ended 31 March 2023, the fair value of the listed equity securities is determined based on the quoted market closing price available on the Stock Exchange at the end of the reporting period and the fair value of unlisted equity securities are arrived on the basis of valuation carried out by an independent professional valuer by using market approach.

## 10. NET ASSET VALUE PER SHARE

The calculation of net asset value per share is based on the net assets of approximately HK\$82,554,000 (31 March 2023: HK\$90,124,000) and 1,271,732,200 (31 March 2023: 1,271,732,200) ordinary shares in issue as at 30 September 2023.

## 11. INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 September 2023 (2022: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review

The Group recorded a net loss of approximately HK\$7,570,000 for the six months ended 30 September 2023 as compared to the net loss of approximately HK\$14,976,000 in the corresponding period of last year. The decrease in the net loss was mainly due to decrease in unrealised loss on financial assets at fair value through profit or loss of approximately HK\$10.3 million for the period ended 30 September 2023 as compared with HK\$16.5 million in last corresponding period. Gross proceeds from disposal of trading securities decreased 13% from HK\$2.6 million to HK\$2.3 million compared with the corresponding period of last year as the Group reduced investment desire on trading listed securities under uncertainty of economic environment affected by interest rate hike in the U.S. during this period. It was also in line with the decreased securities market turnover (Main board and Gem listed in Hong Kong) of approximately 12% during the same period. Also, we can minimize any potential loss generated in the highly volatile stock markets, as the Group needs to be prudent and keeps those high yield and blue chip listed securities in order to generate dividend for operations and sufficient fund to meet any investment opportunities. Moreover, the Group maintained cash and cash equivalents of approximately HK\$7.1 million and HK\$4.3 million for six months period ended 30 September 2023 and year ended 31 March 2023 respectively which the Group considered to be healthy and in good liquidity. The net asset value decreased by 8.3% from HK\$ 90.1 million to HK\$82.6 million which out-performed the Hang Seng Index (“HSI”), was also in line with the decrement of 12.7% of HSI during this period.

During the period, the global and local equity markets had experienced intense volatility. As at 30 September 2023, the Group's proactive investment strategy was to maximise profit for shareholders, and the Group's investment portfolio was well diversified and comprised of different sectors including banking, telecommunications, transportation, retail businesses, properties, manufacturing, construction etc, of which investment in listed securities amounted HK\$74.7 million (31 March 2023: HK\$83.3 million) and unlisted investment with fair value at HK\$0.65 million (31 March 2023: HK\$2.4 million) which matched with the Group's strategy. There was no additional unlisted investment during this period. All dividend incomes were from the listed securities investment during the period.

The strategy of the Group in the short term is to trade listed securities depending on market sentiment and to maintain sufficient dividend level for the Group's operations. 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 future opportunities against fluctuation in stock markets so investing in unlisted investment may have higher potentials. In addition, the Group would conduct further review on acquisition of the unlisted equity investment from time to time.

During the corresponding period, the trend of the stock markets worldwide was similar and most of them had experienced a downtrend, with serious drops in Hong Kong and China equity markets, while U.S. experienced a slight uptrend.

Regardless of whether uptrend or downtrend in U.S, China and Hong Kong stock markets, the reasons for these volatility were mainly due to the rising of interest rates by the U.S. Federal Reserve (the “Fed”) and the default risks in the besieged property sectors in China. The inflation in U.S. continued to reach a multi-decade high and the Fed has unleashed the steepest series of interest-rate increases in decades in a bid to tame soaring inflation. Therefore, investors follow suit to reduce their investment desire as they were feeling fears of economic recession in the future. Then the Fed raised interest rates again 2 times for a total of 0.5 % during second and third quarter 2023 and raised interest rates for the eleventh time since March 2022. The interest rates are at the highest level since 2001, within a range of 5.25%–5.5%. As a result, inflation has then fallen from its June 2022 peak of 9.1% to 3.7% in September 2023 . It represents the economic activity has grown at a moderate pace and the Fed chairman Jerome Powell stated that there was no longer forecasting a recession, but there was still a long way to go and interest rate may need to rise further before inflation was under control and move towards its inflation target of 2%. In addition, the U.S. economy supported by good economic data, such as the GDP rose by 4.9% (annualized) during the third quarter of 2023, higher than 4.5% consensus, and hence the Dow Jones Index increased slightly by approximately 0.7% from 33,274 at the end of March 2023 to 33,507 at the end of September 2023.

Meanwhile, the China stock markets sentiment experienced a drop during this period especially affected by the default risks in the besieged property sector, driven by intensifying liquidity troubles by the two names that stand out the most China Evergrande Group (“Evergrande”) and Country Garden Holdings Limited (“Country Garden”). Evergrande was trying to avoid defaulting on US\$340 billion in debt, through bankruptcy protection in U.S, and Country Garden missed two U.S. dollar-bond payments, which drew attention to their fiscal situations during this period. And due to intensifying liquidity troubles of them, the real estate and financial institution sectors have been trending downward, and that trajectory could weigh on a beleaguered sector and postpone the post-crisis recovery. Together with the negative effect from interest rate hike in the U.S., the devaluation of RMB against USD by approximately 6% during the period and poor economic data such as GDP, growth was only 6.3%, which was lower than the expectation of 7.1% in second quarter of 2023. All these negative news create more uncertainty in the economy and affecting investment desire for the investors. As a result, the Shanghai Composite Index decreased by approximately 5% from 3,272 at the end of March 2023 to 3,110 at the end of September 2023.

Hong Kong equity markets were sensitive to the news on the global economic situations, especially the interest rate hike in U.S. and the default risks of PRC property sectors, which influenced significantly. As a result from the U.S. interest rate hike during this period, Hong Kong also increased interest rate twice for a total of 0.25% which would increase the burden of investors and the continuous expectation of indefinite increment of interest rate in the future. Together with the default risks of those PRC property companies which also affected of the property and financial institution sector in Hong Kong, as Evergrande and Country Garden are listed companies in Hong Kong. All those negative effects affected the investment desires seriously. As a result, the HSI decreased sharply by approximately 13% from 20,400 at the end of March 2023 to 17,809 at the end of September 2023.

### **Prospects**

We expect the global stock markets to be full of challenges in the coming months, although the inflation in U.S. will continue to be moderate and an expectation of interest rate may pause in U.S., the inflation rate still over Fed’s target rate. In addition to the debt crisis of property sector and poor economic data in China, it would tend to have a deleterious effect on stock markets. The Group will closely monitor the impact of the potential of interest rate hike in U.S. and the outlook of the global economy as well as Hong Kong equity markets.

We may consider investing in relatively high yield listed securities and maintain sufficient liquidity for future investment opportunities to enrich our investment portfolios. 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 holds a lot of listed investment and one unlisted investment with fair value as at the period ended 30 September 2023. The top ten listed investment and the unlisted investment represented significant portion in the net assets of the Group as at the period ended 30 September 2023 as below:

### Listed securities investment

Name of investee companies	As at 30 September 2023			As at 31 March 2023		
	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)	50,000	2,095	2.53%	50,000	2,435	2.69%
PCCW Limited (Stock Code: 0008)	5,800,265	20,707	25.05%	5,800,265	22,737	25.14%
MTR Corporation Limited (Stock Code: 0066)	183,775	5,697	6.89%	183,775	6,956	7.69%
China Construction Bank Corporation (Stock Code: 0939)	820,000	3,624	4.39%	520,000	2,647	2.93%
JBB Builders International Limited (Stock Code: 1903)	4,644,000	2,740	3.32%	4,644,000	1,951	2.16%
Bank of Communications Co., Limited (Stock Code: 3328)	500,000	2,370	2.87%	700,000	3,458	3.82%
Bank of China Limited (Stock Code: 3988)	4,680,000	12,823	15.51%	4,680,000	14,087	15.57%
Gemilang International Limited. (Stock Code: 6163)	4,791,250	1,964	2.38%	4,791,250	1,533	1.70%
Kwong Man Kee Group Limited (Stock Code: 8023)	29,991,000	11,846	14.33%	29,991,000	11,396	12.60%
Harbour Equine Holdings Limited (Stock Code: 8377)	16,852,711	3,135	3.79%	16,852,711	5,898	6.52%
		<u>67,001</u>	<u>81.06%</u>		<u>73,098</u>	<u>80.82%</u>

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

1. CK Hutchison Holdings Limited (“CKH Holdings”)

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

Pursuant to the interim report of CKH Holdings for six months ended 30 June 2023, it recorded revenue of approximately HK\$133,377 million, total comprehensive income of approximately HK\$26,351 million and net assets of approximately HK\$662,286 million. Excluding the one-time items in the first half of 2022 and the adverse foreign currency translation impact, EBITDA and EBIT decreased by 3% and 4% respectively against the same period last year in local currencies.

The Group concurs that CKH Holdings full year outlook remains resilient from an operational perspective as its business and geographical diversification have resulted in downward cycle of certain core business being compensated by strong recoveries in performances of other business within CKH Holdings. Therefore, the Group holds 50,000 shares in CKH Holdings, representing 0.001% interest in the issued share capital of CKH Holdings based on the interim report of CKH Holdings at 30 June 2023, and derived a dividend income of approximately HK\$141,000 for the period ended 30 September 2023.

2. PCCW Limited (“PCCW”)

PCCW is incorporated in Hong Kong and is principally engaged in telecommunications, media, IT solutions, property development and investment, and other business.

Pursuant to the interim report for the six months ended 30 June 2023, PCCW recorded profit of approximately HK\$512 million, total comprehensive income of approximately HK\$328 million and net assets of approximately HK\$10,781 million. The over-the-top (“OTT”) business recorded a significant growth of 24% in revenue to HK\$971 million. An impressive increase of 30% in revenue were contributed by monthly active and paid subscribers of 8% and 21% respectively.

The Group believes that, with innovation at their core, PCCW is committed to contributing towards Hong Kong’s smart city transformation, propelling the flow of knowledge and skills to support cross-industry growth. PCCW will continue to apply expertise and experience to make the most of emerging opportunities to drive business growth as well as society’s advancement for a brighter future. Therefore, the Group holds 5,800,265 shares in PCCW, representing 0.075% interest in the issued share capital of PCCW based on the interim report of PCCW at 30 June 2023, and derived a dividend income of approximately HK\$2,205,000 for the period ended 30 September 2023.

### 3. MTR Corporation Limited (“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, Mainland China and a number of major overseas cities.

Pursuant to the interim report for the period ended 30 June, 2023, MTR recorded profit of approximately HK\$4,353 million, total comprehensive income of approximately HK\$3,586 million and net assets of approximately HK\$177,661 million. MTR’s revenue for the six months ended 30 June 2023 increased by 19.7% to HK\$27,574 million when compared to the same period in 2022. The increase was mainly contributed by recovery in Domestic Service patronage as well as patronage growth resulting from a full six-month operation of the East Rail Line cross-harbour extension.

The Group concurs that, MTR will launch the next phase of Hong Kong’s railway network development by commencing works on the Tung Chung Line extension, a project that will connect communities across northern Lantau Island and help drive economic and job growth in these burgeoning areas. Therefore, the Group holds 183,775 shares in MTR, representing 0.003% interest in the issued share capital of MTR based on the interim report of MTR at 30 June 2023, and derived a dividend income of approximately HK\$163,000 for the period ended 30 September 2023.

### 4. China Construction Bank Corporation (“CCB”)

CCB is incorporated in the PRC and is principally engaged in the provision of corporate and personal banking services, conducting treasury business, the provision of asset management, trustee, finance leasing, investment banking, insurance and other financial services.

Pursuant to the interim report of CCB ended 30 June 2023, CCB recorded net profit of approximately RMB167,295 million, total comprehensive income of approximately RMB176,026 million and net assets of approximately RMB2,956,228 million. Return on average assets (“ROA”) was 0.92% and return on average equity (“ROE”) was 11.95%.

The Group concurs with the CCB’s view that with the implementation of policies such as supporting the private economy and expanding consumer demand, as well as increased investment in key areas such as infrastructure, advanced manufacturing, strategic emerging industries, green industries, and sci-tech innovation, the banking industry will usher in new development opportunities for customer expansion and acquisition, business structure optimization, and profitability enhancement. Therefore, the Group holds 820,000 shares in CCB, representing 0.0003% interest in the issued share capital of CCB based on the interim report of CCB at 30 June 2023 and derived a dividend income of approximately HK\$309,000 for the period ended 30 September 2023.

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 annual report for the year ended 30 June 2023, JBBI recorded loss of approximately RM8 million, total comprehensive expenses of approximately RM4 million and net assets of approximately RM133 million. Revenue decreased by approximately RM294.5 million or 57.5% from approximately RM512.3 million for the year ended 30 June 2022 to approximately RM217.8 million for the year ended 30 June 2023. The substantial decrease in revenue was primarily due to the substantial decrease in volume of sand transported generated from a marine transportation contract in Singapore given that there were some preparation and rearrangements of construction sites by customer and so the delivery of marine sand was in slow pace during the transition period.

The Group concurs the view with JBBI that moving forward, JBBI will continuously monitor the uncertainties faced by JBBI and to stay abreast of business opportunities of the operating countries. JBBI will also optimize its business models and portfolios to solidify its market competitiveness by participating in different tenders actively. Therefore, the Group holds 4,644,000 shares in JBBI, representing 0.93% interest in the issued share capital of JBBI based on the annual report of JBBI at 30 June 2023. No dividend was received during the period.

6. 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 interim report of Bank Com. for the period ended 30 June 2023, Bank Com. recorded profit of approximately RMB46,566 million, total comprehensive income of approximately RMB52,961 million and net assets of approximately RMB1,054,899 million. Return on average total assets (“ROA”) was 0.69% and return on average equity (“ROE”) was 10.16%.

The Group concurs that Bank Com., will continue to implement development requirements of the CPC Central Committee, adhere to the general guideline of making progress while maintaining stability, implement the new development concept completely, accurately and comprehensively. Besides, Bank Com. will help construct the new development pattern, actively fulfill its responsibilities as a major state-owned bank, and promote the implementation of the Bank Com.’s strategies to achieve high-quality development. Therefore, the Group holds 500,000 shares in Bank Com., representing 0.0007% interest in the issued share capital of Bank Com. based on the interim report of Bank Com. at 30 June 2023 and derived a dividend income of approximately HK\$182,000 for the period ended 30 September 2023.

## 7. Bank of China Limited (“BOC”)

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

Pursuant to the interim report of BOC for the six months ended 30 June 2023, BOC recorded profit of approximately RMB127,688 million, total comprehensive income of approximately RMB153,208 million and net assets of approximately RMB2,661,763 million. Return on average assets (“ROA”) was 0.85% and return on average equity (“ROE”) was 10.60%.

The Group concurs that, upholding the political and people-centered nature of financial work, BOC will implement the decisions and plans of the CPC Central Committee, seek progress while ensuring stability, enhance its capacity to drive forward robust development, seize growth opportunities, and work to resolve the obstacles it encounters in the course of its development. Therefore, the Group holds 4,680,000 shares in BOC, representing 0.002% interest in the issued share capital of BOC based on the interim report of BOC at 30 June 2023 and derived a dividend income of approximately HK\$1,054,000 for the period ended 30 September 2023.

## 8. Gemilang International Limited (“Gemilang”)

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

Pursuant to the interim report of Gemilang for the period ended 30 April 2023, Gemilang recorded profit of approximately US\$0.26 million, total comprehensive income of approximately US\$1.20 million and net assets of approximately US\$17 million. During the reporting period, Gemilang recorded a revenue of approximately US\$4.06 million, representing a decrease of approximately 71.3% as compared with approximately US\$14.14 million for the corresponding period in 2022. Such decrease was mainly because of the decrease in revenue from the sales of bus bodies and kits due to the delay in delivery of buses and the slow recovery of the global supply chain in the post-COVID-19 era mainly caused by the Russo-Ukrainian war.

The Group concurs that, Gemilang has been able to maintain its market position in Asia, with the continuous support from Gemilang customers in the region. Gemilang believes that maintaining top-quality products is crucial to be the leading bus manufacturing solution provider. In addition, Gemilang is expanding its market footprint in other regions such as the USA in recent years. Therefore, the Group holds 4,791,250 shares in Gemilang representing 1.906% interest in the issued share capital of Gemilang based on the interim report of Gemilang at 30 April 2023. No dividend was received during the period.

9. 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 annual report of KMK for the year ended 31 March 2023, KMK recorded profit of approximately HK\$19 million, and total comprehensive income of approximately HK\$19 million and net assets of approximately HK\$118million. The revenue, during the period, increased by approximately HK\$60.2 million or approximately 54.5%. The increase in revenue was mainly due to the increase in number of projects with higher contract sum undertaken by KMK during the year ended 31 March 2023.

The Group concurs with the KMK’s view that, in order to continue to generate promising returns to the shareholders of KMK and further diversity business risks, the directors are taking an active approach to develop business in other Asia-Pacific region’s market and seek alternative business or investment opportunities to broaden its source of income. Therefore, the Group holds 29,991,000 shares in KMK representing 5% interest in the issued share capital of KMK based on the annual report of KMK at 31 March 2023. No dividend was received during the period.

10. Harbour Equine Holdings Limited (“Harbour Equine”)

Harbour Equine is incorporated in Cayman Islands and is principally engaged in the manufacture and trading of sewing threads and board categories of garment accessories, provision of interior design, interior decoration and furnishing services, and provision of trading of bloodstock, stallion services and equine handling services and provision of advisory on securities, corporate finance and asset management services.

Pursuant to the interim report ended 30 June 2023, Harbour Equine recorded loss of approximately HK\$16 million, total comprehensive loss of approximately HK\$19 million and net assets of approximately HK\$47 million. Harbour Equine’s recorded an unaudited revenue of approximately HK\$42.5 million, representing an increase of approximately 17.9% as compared with approximately HK\$36.1 million for the six months ended 30 June 2022. The increase in revenue is mainly attributable to the increase of the revenue generated from the equine services.

The Group concurs that for the business line of interior design, fitting out and decoration services, Harbour Equine considers that there is a growing popularity of interior design, fitting-out and decoration in commercial, residential and public sectors in Hong Kong and Greater Bay Area to seek individuality and style. Hence, Harbour Equine expected this line of business can diversify its existing business portfolio and to increase source of income. In addition, Harbour Equine will continue to develop equine service business. Therefore, the Group holds 16,852,711 shares in Harbour Equine, representing 4.12% interest in the issued share capital of Harbour Equine based on the interim report of Harbour Equine at 30 June 2023. No dividend was received during the period.

## Unlisted investment

Name of investee company	Proportion of shares capital owned	As at 30 September 2023			Approximately % of total assets of the Group (by Fair Value)	Proportion of shares capital owned	As at 31 March 2023		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	650	0.79%	1.60%	4,220	2,360	2.61%	

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

### 1. Guangzhou Jingyeng Aqua-Culture 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 period.

Pursuant to the unaudited financial statement for the nine months ended 30 September 2023, Jingyeng Aquaculture recorded net loss of approximately RMB3.32 million and net assets of approximately RMB217 million.

Apart from fresh and finished fish, Jingyeng Aquaculture also expands the businesses in aquatic product seedlings and aquatic product processing. The Group believes that there will be steady growth in aquaculture 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 period. The net asset attributable to the Group was approximately HK\$3,753,000 (2023: HK\$4,022,000).

In addition, the net realised and unrealised gain/(loss) on financial assets at fair value through profit or loss for the period ended 30 September 2023 amounted to approximately HK\$10.1 million was mainly due to the listed securities and the relevant breakdowns are as follows:

<u>Name of investee companies</u>	<u>Realised</u>			<u>Unrealised</u>	<u>Net realised and unrealised gain/(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</u> <i>HK\$'000</i>	<u>Net loss</u> <i>HK\$'000</i>	
<i>Listed investment</i>					
PCCW Limited (Stock Code: 0008)	-	-	-	(2,030)	(2,030)
MTR Corporation Limited (Stock Code: 0066)	-	-	-	(1,259)	(1,259)
China Construction Bank Corporation (Stock Code: 0939)	-	-	-	(537)	(537)
i-Control Holdings Limited (Stock Code: 1402)	667	(650)	17	-	17
Bank of Communications Co., Limited (Stock Code: 3328)	1,631	(1,486)	145	(107)	38
Bank of China Limited (Stock Code: 3988)	-	-	-	(1,264)	(1,264)
Harbour Equine Holdings Limited (Stock Code: 8377)	-	-	-	(2,763)	(2,763)
Others	-	-	-	(623)	(623)
			162	(8,583)	(8,421)
<i>Unlisted investment</i>					
Guangzhou Jingyeng Aqua-Culture Company Limited	-	-	-	(1,710)	(1,710)
Total			162	(10,293)	(10,131)

## **FINANCIAL REVIEW**

### **Liquidity and Financial Resources**

As at 30 September 2023, the Group had cash and cash equivalents of approximately HK\$7,113,000 (31 March 2023: HK\$4,323,000). The Board believes that the Group has sufficient financial resources to satisfy its commitments and working capital requirements.

As at 30 September 2023, 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 (2023: nil) as there was no debt as at 30 September 2023 (31 March 2023: HK\$ nil).

### **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 2023.

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

As at 30 September 2023, the Group had no material capital commitment and contingent liabilities.

### **Material Acquisition and Disposal**

During the Period, 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 Option**

The Group does not adopt any share option scheme.

## **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 2023 before recommending them to the Board for approval.

The Committee comprises three independent non-executive directors, namely 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 six months ended 30 September 2023, except for the following.

**Code Provision C.1.6**

Under the code provision C.1.6, 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, Dr. FUNG Lewis Hung and Mr. KWOK Ming Fai were unable to attend the annual general meeting (“AGM”) on 23 August 2023 due to their other business engagements. This constitutes a deviation from code provision C.1.6 of the CG Code. Moreover, non attendance of these Independent Non-executive Directors may also constitute deviation from code provision F.2.2 of the CG Code. Despite of these independent non-executive directors, all the other directors of the Company were present in the AGM

**EMPLOYMENT AND REMUNERATION POLICIES**

As at 30 September 2023, the Group employed a total of 4 full-time employees (2022: 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 22 July 2005 and the members comprised of three independent non-executive directors, Dr. FUNG Lewis Hung, Mr. TANG Hon Bui, Ronald and Mr. KWOK Ming Fai and one executive director, Mr. CHENG Wai Lun, Andrew. The Remuneration Committee has adopted the terms of reference in conformity with the CG Code. During the past one year, the remuneration committee had one meeting.

**NOMINATION COMMITTEE**

The Nomination Committee was set up on 21 March 2012, the members comprised of three independent non-executive directors, Dr. FUNG Lewis Hung, Mr. TANG Hon Bui, Ronald and Mr. KWOK Ming Fai and one executive director, Mr. CHENG Wai Lun, Andrew. The Nomination Committee has adopted the terms of reference in conformity with the CG Code.

**REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

During the six months ended 30 September 2023, there was no repurchase, sale or redemption of the Company’s listed securities by the Company or any of its subsidiaries.

## **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.

## **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 2023 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  
**UBA INVESTMENTS LIMITED**  
**WONG Yun Kuen**  
*Chairman*

Hong Kong, 24 November 2023

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

*\* For identification only*