

**UBA INVESTMENTS LTD :
GAMBLING ON A CONTINUATION OF THE BULL MARKET ?**

Well, if one likes to invest in speculative issues, listed on The Stock Exchange of Hongkong Ltd, and unlisted investments in the People's Republic of China (PRC), this New Issue could well have the right flavour.

Because that is, approximately, what one gets when buying shares in UBA Investments Ltd.

UBA Investments is pitching a New Issue of shares in an attempt to raise about \$HK46 million, net of expenses.

This investment company is similar to another investment company, which went public just last year: Harmony Asset Ltd.

In fact, one Executive Director of UBA Investments, Dr Augustine Chow Pok Yu, and Mr David Lee Fong Lit, the Chairman of Harmony Asset Ltd, are prominent players in this new listing.

They are both Executive Directors of Harmony Asset Management Ltd, the Investment Manager of UBA Investments.

The Investment Manager is getting about \$HK122,000 per month from UBA Investment, calculated on the basis of an entitlement of *'a monthly ... fee ... at 1.5% per annum of the Net Asset Value ...'*.

UBA Investments has stated, in its Prospectus, that it intends to apply all the proceeds in this float to purchase shares, quoted on The Stock Exchange of Hongkong Ltd, and to make investments in unlisted companies in the PRC.

As at October 31, 1999, UBA Investments had a portfolio of HKSAR listed shares with an aggregate market value of \$HK48.61 million.

The cost of this portfolio, Page 64 of the Prospectus states, was about \$HK39 million.

The portfolio comprised the following listed company shares:

[Egana International \(Holdings\) Ltd](#)
[Egana Jewellery and Pearls Ltd](#)
Cable and Wireless HKT Ltd
Tonic Industries Holdings Ltd
Wing Hang Bank Ltd

TARGET finds it more than a little difficult to comment on the composition of this portfolio, however, one has to admit that, as at January 5, 2000, the aggregate market value of UBA Investments's portfolio had appreciated to about \$HK52 million.

Further, nearly all of the gains in the value of this portfolio can be traced to just one issue: Egana International (Holdings) Ltd.

This company, alone, accounted for about \$HK9-million worth of the difference between the October 31, 1999 market valuation and the TARGET's market valuation as at January 5, 2000.

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