



UNI-ASIA GROUP LIMITED

Company Registration No: 201701284Z
Incorporated in the Republic of Singapore

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

1 (a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group completed a Restructuring Exercise on 26 May 2017 and Uni-Asia Group Limited was listed and quoted on the Main Board of the SGX-ST on 2 June 2017 while Uni-Asia Holdings Limited was delisted from the Main Board of the SGX-ST with effect from 2 June 2017. Please refer to Note 1(d)(ii) for further information. The figures for 2017 are that of Uni-Asia Group Limited and its subsidiaries while the comparative figures for 2016 are that of Uni-Asia Holdings Limited and its subsidiaries. This is on the basis that the Group is in existence in 2016, and that the net asset value of the Group is not materially different immediately before and after the Restructuring Exercise.

| | Note | 4 th Quarter ("4Q") | | | Full year ("FY") | | |
|---|--------|-----------------------------------|------------------|--------------|---------------------|------------------|-------------|
| | | 2017 US\$'000 | 2016 US\$'000 | % Change | 2017 US\$'000 | 2016 US\$'000 | % Change |
| Charter Income | 8(i) | 10,335 | 9,029 | 14% | 37,828 | 34,252 | 10% |
| Fee income | 8(ii) | 3,121 | 748 | N/M | 7,850 | 5,824 | 35% |
| Hotel income | 8(iii) | 13,609 | 11,542 | 18% | 48,097 | 41,973 | 15% |
| Investment returns | 8(iv) | 3,003 | 763 | 294% | 8,451 | 2,134 | 296% |
| Interest income | | 193 | 177 | 9% | 788 | 723 | 9% |
| Other income | | 63 | (442) | N/M | 860 | 1,392 | (38%) |
| Total income | | 30,324 | 21,817 | 39% | 103,874 | 86,298 | 20% |
| Employee benefits expenses | | (5,225) | (4,120) | 27% | (16,507) | (14,753) | 12% |
| Amortisation and depreciation | | (2,601) | (2,422) | 7% | (10,203) | (10,648) | (4%) |
| Vessel operating expenses | | (4,936) | (5,026) | (2%) | (17,310) | (18,321) | (6%) |
| Hotel lease expenses | | (4,689) | (3,613) | 30% | (17,028) | (14,445) | 18% |
| Hotel operating expenses | | (5,870) | (4,678) | 25% | (20,556) | (17,218) | 19% |
| Other expenses | | (1,421) | (1,570) | (9%) | (5,622) | (4,826) | 16% |
| Impairment of property, plant and equipment | | (1,000) | (8,590) | (88%) | (1,000) | (8,590) | (88%) |
| Provision for onerous contract | | - | (3,475) | (100%) | - | (3,475) | (100%) |
| Net foreign exchange (loss)/ gain | | (54) | 368 | N/M | (260) | (312) | (17%) |
| Total operating expenses | | (25,796) | (33,126) | (22%) | (88,486) | (92,588) | (4%) |
| Operating profit/ (loss) | | 4,528 | (11,309) | N/M | 15,388 | (6,290) | N/M |
| Finance costs – interest expense | | (1,363) | (1,346) | 1% | (5,347) | (5,079) | 5% |
| Finance costs – others | | (73) | (69) | 6% | (299) | (316) | (5%) |
| Allocation to Tokumei Kumiai ^A investors | | 41 | 91 | (55%) | (582) | 205 | N/M |
| Profit/ (loss) before tax | | 3,133 | (12,633) | N/M | 9,160 | (11,480) | N/M |
| Income tax expense | | 45 | (88) | N/M | (294) | (748) | (61%) |
| Profit/ (loss) for the period/ year | | 3,178 | (12,721) | N/M | 8,866 | (12,228) | N/M |
| Attributable to: | | | | | | | |
| Owners of the parent | | 1,378 | (13,624) | N/M | 6,224 | (14,166) | N/M |
| Non-controlling interests | | 1,800 | 903 | 99% | 2,642 | 1,938 | 36% |
| | | 3,178 | (12,721) | N/M | 8,866 | (12,228) | N/M |

^A Tokumei Kumiai ("TK") refers to a form of silent partnership structure used in Japan. Allocation to TK investors refers to share of profit and loss attributable to other TK investors of the TK structure.

| | 4 th Quarter ("4Q") | | | Full year ("FY") | | |
|---|-----------------------------------|------------------|-------------|---------------------|------------------|-------------|
| | 2017 US\$'000 | 2016 US\$'000 | % Change | 2017 US\$'000 | 2016 US\$'000 | % Change |
| Profit/ (loss) for the period/ year | 3,178 | (12,721) | N/M | 8,866 | (12,228) | N/M |
| Other comprehensive income/ (expense) for the period/ year, net of tax: | | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | | |
| Exchange differences on translation of foreign operations | 26 | (3,061) | N/M | 841 | (356) | N/M |
| Net movement on cash flow hedges | 437 | 504 | (13%) | 602 | 488 | 23% |
| Other comprehensive income/ (expense) for the period/ year, net of tax | 463 | (2,557) | N/M | 1,443 | 132 | N/M |
| Total comprehensive income/ (expense) for the period/ year | 3,641 | (15,278) | N/M | 10,309 | (12,096) | N/M |
| Attributable to: | | | | | | |
| Owners of the parent | 1,817 | (16,270) | N/M | 7,662 | (14,149) | N/M |
| Non-controlling interests | 1,824 | 992 | 84% | 2,647 | 2,053 | 29% |
| | 3,641 | (15,278) | N/M | 10,309 | (12,096) | N/M |

N/M: Not meaningful

1 (b) (i) A statement of financial position for the group and the issuer, together with a comparative statement as at the end of the immediately preceding financial year.

The Group completed a Restructuring Exercise on 26 May 2017. Please refer to Note 1(d)(ii) for further information. As Uni-Asia Group Limited was incorporated on 12 January 2017, there is no comparative company level balance sheet of Uni-Asia Group Limited as at 31 December 2016. As such, the comparative company level balance sheet as at 31 December 2016 is that of Uni-Asia Holdings Limited, the holding company of the Group prior to the Restructuring Exercise.

| | Group: Uni-Asia Group Limited | | Company: Uni-Asia Group Limited | Company: Uni-Asia Holdings Limited |
|---|--|--|--|---|
| | 31 December 2017 US\$'000 | 31 December 2016 US\$'000 | 31 December 2017 US\$'000 | 31 December 2016 US\$'000 |
| ASSETS | | | | |
| Non-current assets | | | | |
| Investment properties | 14,975 | 13,949 | - | - |
| Investments | 27,668 | 45,113 | - | 19,562 |
| Investments in subsidiaries | - | - | 109,276 | 72,849 |
| Intangible assets | 27 | 1 | - | - |
| Property, plant and equipment | 222,943 | 195,254 | - | 294 |
| Loans receivable | - | 2,050 | - | 2,050 |
| Loans to subsidiaries | - | - | - | 9,392 |
| Rental deposit | 4,567 | 3,150 | - | - |
| Derivative financial instruments | 430 | 329 | - | 588 |
| Finance lease receivable | 7,643 | 7,705 | - | - |
| Accounts receivable | 885 | 621 | - | - |
| Deferred tax assets | 129 | 46 | - | - |
| Total non-current assets | 279,267 | 268,218 | 109,276 | 104,735 |
| Current assets | | | | |
| Investments | 30,302 | 2,402 | - | - |
| Loans receivable | - | 6,983 | - | 400 |
| Loans to subsidiaries | - | - | - | 19,301 |
| Derivative financial instruments | 177 | 17 | - | 357 |
| Finance lease receivable | 364 | 331 | - | - |
| Accounts receivable | 4,703 | 3,810 | - | 76 |
| Amounts due from subsidiaries | - | - | 1,824 | 486 |
| Prepayments, deposits and other receivables | 9,950 | 4,965 | 550 | 712 |
| Tax recoverable | 711 | 1,074 | - | - |
| Deposits pledged as collateral | 3,847 | 4,320 | - | 2,450 |
| Cash and bank balances | 40,556 | 35,552 | 76 | 8,700 |
| Total current assets | 90,610 | 59,454 | 2,450 | 32,482 |
| Total assets | 369,877 | 327,672 | 111,726 | 137,217 |

NOTES:-

The Group's total assets increased by 13% from \$327.7 million on 31 December 2016 to \$369.9 million on 31 December 2017.

Additional funding and fair valuation adjustments of existing investment properties; addition of a second-hand vessel under property, plant and equipment in November 2017; and increase in rental deposit due to rental deposits of new hotels under operations are the main factors that contributed to the increase in the Group's non-current assets by 4% from \$268.2 million on 31 December 2016 to \$279.3 million on 31 December 2017.

On the other hand, the Group's 2nd Hong Kong property investment was reclassified from non-current assets to current assets while current loan receivables were converted into non-current investments. Prepayments and other receivables under current assets increased due mainly to expansion of property investment and hotel operations in Japan. Current assets was \$90.6 million on 31 December 2017, an increase of 52% compared to the balance of \$59.5 million as at 31 December 2016.

| | Group: Uni-Asia Group Limited | | Company: Uni-Asia Group Limited | Company: Uni-Asia Holdings Limited |
|--|--|--|--|---|
| | 31 December 2017 US\$'000 | 31 December 2016 US\$'000 | 31 December 2017 US\$'000 | 31 December 2016 US\$'000 |
| EQUITY | | | | |
| Equity attributable to owners of the parent | | | | |
| Share capital | 109,276 | 75,167 | 109,276 | 75,167 |
| Share premium | - | 31,319 | - | 31,319 |
| Retained earnings | 19,674 | 14,460 | 2,332 | 3,800 |
| Hedging reserve | 943 | 353 | - | - |
| Exchange reserve | 1,373 | 525 | - | - |
| Capital reserve | (2,907) | (117) | - | - |
| Total equity attributable to owners of the parent | 128,359 | 121,707 | 111,608 | 110,286 |
| Non-controlling interests | 7,606 | 4,185 | - | - |
| Total equity | 135,965 | 125,892 | 111,608 | 110,286 |
| LIABILITIES | | | | |
| Non-current liabilities | | | | |
| Borrowings | 150,343 | 131,125 | - | 8,700 |
| Derivative financial instruments | 108 | 258 | - | 588 |
| Deferred tax liabilities | 538 | 504 | - | - |
| Deferred income | - | 973 | - | - |
| Other payables | 77 | 78 | - | - |
| Provision for onerous contract | 1,735 | 2,140 | - | - |
| Total non-current liabilities | 152,801 | 135,078 | - | 9,288 |
| Current liabilities | | | | |
| Borrowings | 66,462 | 54,291 | - | 16,072 |
| Due to Tokumei Kumiai investors | 2,359 | 1,007 | - | - |
| Derivative financial instruments | 127 | 340 | - | 357 |
| Accounts payable | 3,970 | 2,961 | - | - |
| Amounts due to subsidiaries | - | - | - | 512 |
| Other payables and accruals | 7,716 | 5,874 | 118 | 702 |
| Provision for onerous contract | 439 | 1,335 | - | - |
| Income tax payable | 38 | 894 | - | - |
| Total current liabilities | 81,111 | 66,702 | 118 | 17,643 |
| Total liabilities | 233,912 | 201,780 | 118 | 26,931 |
| Total equity and liabilities | 369,877 | 327,672 | 111,726 | 137,217 |

NOTES:

Total liabilities increased to \$233.9 million on 31 December 2017 from \$201.8 million on 31 December 2016 mainly due to:

- (i) increase in borrowings for property and ship related investments;
- (ii) increase in amount due to Tokumei Kumiai with improved returns from consolidated property investment holding Godo Kaisha entities; and
- (iii) increase in other payables and accruals for increase in unpaid expenses incurred towards end of FY2017.

1 (b) (ii) **Aggregate amount of group's borrowings and debt securities.**

| | As at 31 December 2017 | | As at 31 December 2016 | |
|--|------------------------|-----------------------|------------------------|-----------------------|
| | Secured US\$'000 | Unsecured US\$'000 | Secured US\$'000 | Unsecured US\$'000 |
| Amount repayable in one year or less, or on demand | 40,404 | 26,058 | 28,184 | 26,107 |
| Amount repayable after one year | 133,814 | 16,529 | 118,076 | 13,049 |
| Total | 174,218 | 42,587 | 146,260 | 39,156 |
| | | | | |

Details of any collateral

The Group's borrowings are secured by means of:

- legal mortgages over certain cash deposits of a subsidiary
- legal mortgages over investment properties of subsidiaries
- legal mortgages over vessels of subsidiaries
- legal mortgage over freehold properties under the category of "Property, plant and equipment" of subsidiaries

1 (c) A statement of cash flows for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | Note | Full year | |
|---|------|------------------|------------------|
| | | 2017 US\$'000 | 2016 US\$'000 |
| Cash flows from operating activities | | | |
| Profit/ (loss) before tax | | 9,160 | (11,480) |
| Adjustments for: | | | |
| Investment returns | | (8,451) | (2,134) |
| Amortisation and depreciation | | 10,203 | 10,648 |
| Realisation of negative goodwill arising on acquisition of a subsidiary | | - | (975) |
| (Gain)/ loss on disposal of property, plant and equipment | | (1) | 2 |
| Impairment of property, plant and equipment | | 1,000 | 8,590 |
| Impairment of goodwill | | - | 67 |
| Provision for onerous contract | | - | 3,475 |
| Reversal of provision for accounts receivable | | - | (109) |
| Net foreign exchange loss | | 260 | 312 |
| Interest income | | (788) | (723) |
| Finance costs – interest expense | | 5,347 | 5,079 |
| Finance costs – others | | 299 | 316 |
| Allocation to Tokumei Kumiai investors | | 582 | (205) |
| Share based compensation | | - | (32) |
| Operating cash flows before changes in working capital | | 17,611 | 12,831 |
| Changes in working capital: | | | |
| Net change in accounts receivable | | (922) | (572) |
| Net change in prepayments, deposits and other receivables | | (2,145) | 641 |
| Net change in accounts payable | | 830 | 373 |
| Net change in other payables, accruals and deferred income | | (582) | 195 |
| Cash flows generated from operations | | 14,792 | 13,468 |
| Interest received on bank balances | | 164 | 117 |
| Tax paid | | (860) | (1,254) |
| Net cash flows generated from operating activities | [A] | 14,096 | 12,331 |
| Cash flows from investing activities | | | |
| Purchase of investment properties | | (9,528) | (7,912) |
| Purchase of investments | | (8,821) | (13,576) |
| Proceeds from sale of investment properties | | 14,606 | 4,286 |
| Proceeds from redemption/ sale of investments | | 5,696 | 17,443 |
| Net cash inflow on acquisition of an investment | | - | 1 |
| Consolidation/ (deconsolidation) of consolidated entities | | 1,567 | (1,016) |
| Investment in finance lease | | 345 | 287 |
| Hotel lease deposit | | (1,369) | (183) |
| Deposits for small residential projects | | (106) | (453) |
| Transfer from deposits for purchase of vessels | | - | 6,846 |
| Purchase of property, plant and equipment | | (16,134) | (25,633) |
| Proceeds from disposal of property, plant and equipment | | 2 | 15,840 |
| Contribution from Tokumei Kumiai investors | | 2,601 | 1,223 |
| Redemption of Tokumei Kumiai investors | | (1,855) | (560) |
| Loans advanced | | (5,638) | (12,030) |
| Loans repaid | | 8,028 | 3,900 |
| Interest received from loans and finance lease | | 630 | 654 |
| Net decrease in deposits pledged as collateral | | 593 | 1,556 |
| Income proceeds from investments | | 262 | 342 |

| | Note | Full year | |
|---|------|------------------|------------------|
| | | 2017 US\$'000 | 2016 US\$'000 |
| Settlement of derivative financial instruments | | (149) | (1,721) |
| Proceeds from property rental | | 785 | 220 |
| Net cash flows used in investing activities | [B] | (8,485) | (10,486) |
| Cash flows from financing activities | | | |
| New borrowings | | 40,589 | 47,928 |
| Repayment of borrowings | | (34,833) | (35,379) |
| Interest paid on borrowings | | (5,278) | (4,888) |
| Other finance cost paid | | (205) | (355) |
| Dividend paid | | (1,010) | (2,185) |
| Contribution from non-controlling interests | | - | 39 |
| Payment to non-controlling interest | | (9) | (8) |
| Net cash flows (used in)/ generated from financing activities | [C] | (746) | 5,152 |
| Net increase in cash and bank balances | | 4,865 | 6,997 |
| Movements in cash and bank balances: | | | |
| Cash and bank balances at beginning of the year | | 35,552 | 30,334 |
| Net increase in cash and bank balances | | 4,865 | 6,997 |
| Effects of foreign exchange rate changes, net | | 139 | (1,779) |
| Cash and bank balances at end of the year | | 40,556 | 35,552 |

NOTES:

The Group's cash and bank balances increased by \$5.0 million in FY2017 mainly due to the followings:

[A] Cash flows generated from operating activities amounted to \$14.1 million for FY2017, mainly due to contribution from ship charter income and arrangement fees earned.

[B] Cash flows used in investing activities were \$8.5 million for FY2017 mainly due to outflows from:

- (i) purchase/additional funding of investment properties of \$9.5 million;
- (ii) purchase/additional funding of investments of \$8.8 million;
- (iii) payment of new hotel lease deposit of \$1.4 million;
- (iv) payment for second-hand vessel and dry-docking expenses capitalised under property, plant and equipment of \$16.1 million;
- (v) redemption of Tokumei Kumiai investors of \$1.9 million; and
- (vi) a loan extended to an investee company of \$5.6 million;

offset by inflows from:

- (i) proceeds from sale of investment properties of \$14.6 million;
- (ii) proceeds from redemption/sale of investments of \$5.7 million
- (iii) contribution from Tokumei Kumiai investors of \$2.6 million; and
- (iv) a loan repaid from an investee company of \$8.0 million.

[C] Cash flows used in financing activities were \$0.7 million in FY2017 mainly due to scheduled repayments of borrowings offset by new borrowings and refinancing of existing borrowings in FY2017. Dividend for FY2017 approved in AGM was paid in 2Q2017.

1 (d) (i) A statement for the group and the issuer showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group completed a Restructuring Exercise on 26 May 2017. Please refer to Note 1(d)(ii) for further information.

| Group: Uni-Asia Group Limited | Share capital US\$'000 | Share premium US\$'000 | Retained earnings US\$'000 | Hedging reserve US\$'000 | Exchange reserve US\$'000 | Share based compensation reserve US\$'000 | Capital reserve US\$'000 | Total equity attributable to owners of the parent US\$'000 | Non-controlling interests US\$'000 | Total equity US\$'000 |
|---|---------------------------|---------------------------|-------------------------------|-----------------------------|------------------------------|--|-----------------------------|---|---------------------------------------|--------------------------|
| At 1 January 2016 | 75,167 | 31,319 | 30,811 | (14) | 875 | 32 | (117) | 138,073 | 2,101 | 140,174 |
| (Loss)/ profit for the year | - | - | (14,166) | - | - | - | - | (14,166) | 1,938 | (12,228) |
| Other comprehensive income/ (expense) | - | - | - | 367 | (350) | - | - | 17 | 115 | 132 |
| Total comprehensive (expense)/ income | - | - | (14,166) | 367 | (350) | - | - | (14,149) | 2,053 | (12,096) |
| Distribution to owners - Dividend in respect of 2015 | - | - | (2,185) | - | - | - | - | (2,185) | - | (2,185) |
| Capital contributed by non-controlling interest of a subsidiary | - | - | - | - | - | - | - | - | 39 | 39 |
| Payment to non-controlling interests | - | - | - | - | - | - | - | - | (8) | (8) |
| Reversal of share based compensation | - | - | - | - | - | (32) | - | (32) | - | (32) |
| At 31 December 2016 | 75,167 | 31,319 | 14,460 | 353 | 525 | - | (117) | 121,707 | 4,185 | 125,892 |
| At 1 January 2017 | 75,167 | 31,319 | 14,460 | 353 | 525 | - | (117) | 121,707 | 4,185 | 125,892 |
| Profit for the year | - | - | 6,224 | - | - | - | - | 6,224 | 2,642 | 8,866 |
| Other comprehensive income/ (expense) | - | - | - | 590 | 848 | - | - | 1,438 | 5 | 1,443 |
| Total comprehensive income | - | - | 6,224 | 590 | 848 | - | - | 7,662 | 2,647 | 10,309 |
| Adjustments to equity arising from restructuring | 34,109 | (31,319) | - | - | - | - | (2,790) | - | - | - |
| Distribution to owners - Dividend in respect of 2016 | - | - | (1,010) | - | - | - | - | (1,010) | - | (1,010) |
| Payment to non-controlling interests | - | - | - | - | - | - | - | - | (9) | (9) |
| Capital reserve | - | - | - | - | - | - | - | - | 783 | 783 |
| At 31 December 2017 | 109,276 | - | 19,674 | 943 | 1,373 | - | (2,907) | 128,359 | 7,606 | 135,965 |

| Company: Uni-Asia Group Limited | Share capital US\$'000 | Accumulated losses US\$'000 | Total equity US\$'000 |
|---|---------------------------|--------------------------------|--------------------------|
| At date of incorporation on 12 January 2017 | - | - | - |
| Profit for the year | - | 2,332 | 2,332 |
| Other comprehensive income | - | - | - |
| Total comprehensive income | - | 2,332 | 2,332 |
| Issuance of shares | 109,276 | - | 109,276 |
| At 31 December 2017 | 109,276 | 2,332 | 111,608 |

| Company: Uni-Asia Holdings Limited | Share capital US\$'000 | Share premium US\$'000 | Retained earnings US\$'000 | Hedging reserve US\$'000 | Share based compensation reserve US\$'000 | Total equity US\$'000 |
|--|---------------------------|---------------------------|-------------------------------|-----------------------------|--|--------------------------|
| At 1 January 2016 | 75,167 | 31,319 | 4,789 | (1) | 32 | 111,306 |
| Profit for the year | - | - | 1,196 | - | - | 1,196 |
| Other comprehensive income | - | - | - | 1 | - | 1 |
| Total comprehensive income | - | - | 1,196 | 1 | - | 1,197 |
| Distribution to owners – Dividend in respect of 2015 | - | - | (2,185) | - | - | (2,185) |
| Reversal of share based compensation | - | - | - | - | (32) | (32) |
| At 31 December 2016 | 75,167 | 31,319 | 3,800 | - | - | 110,286 |

- 1 (d) (ii) Details of any changes in the company’s share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Uni-Asia Group Limited (the “Company”) was incorporated on 12 January 2017 with an issued and paid-up share capital of US\$1.00, comprising one ordinary share (“Share”). On 26 May 2017, the Company completed the acquisition of all of the shares in the capital of Uni-Asia Holdings Limited pursuant to the restructuring exercise (the “Restructuring Exercise”) undertaken by the Company by way of a scheme of arrangement under Section 86 of the Companies Law (2016 Revision) of the Cayman Islands (the “Scheme”). In connection with the Restructuring Exercise and the Scheme, 46,979,279 Shares (“Scheme Shares”) were allotted and issued by the Company to the shareholders of Uni-Asia Holdings Limited on 26 May 2017. Following the allotment and issuance of the Scheme Shares, the total issued share capital of the Company increased from one Share to 46,979,280 Shares. The Company has no outstanding instruments that are convertible into shares or any treasury shares. Following the completion of the Restructuring Exercise, the Company was listed and quoted on the Main Board of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 2 June 2017 and Uni-Asia Holdings Limited was delisted from the Main Board of the SGX-ST with effect from 2 June 2017.

The share capital of the Company as at 31 December 2017 is the same as the share capital of the Company after the Restructuring Exercise on 26 May 2017. Movements in the share capital are listed in Note 1(d)(i).

The total number of issued shares of the Company as at 31 December 2017 is the same as the total number of issued shares of Uni-Asia Holdings Limited as at 31 December 2016.

- 1 (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

| | Uni-Asia Group Limited As at 31 December 2017 | Uni-Asia Holdings Limited As at 31 December 2016 |
|-------------------------------|--|---|
| Total number of issued shares | 46,979,280 | 46,979,280 |

- 1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/ or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

- 3 Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4 Whether the same accounting policies and method of computation as in the issuer’s most recently audited annual financial statements have been applied.**

The Group has adopted the same accounting policies and method of computation in the financial statements for the current financial period as compared with the audited financial statements for the financial year ended 31 December 2016.

- 5 **If there are any changes in the accounting policies and method of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.**

There are no significant changes to the accounting policies and method of computation in the financial statements for the current financial period as compared with the audited financial statements for the financial year ended 31 December 2016. The adoptions of the new or revised IFRSs that are effective for the annual period beginning 1 January 2017 do not have a significant impact on the Group's results of operations and financial position.

- 6 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

| | 4 th Quarter | | Full year | |
|--|-------------------------|----------|-----------|----------|
| | 2017 | 2016 | 2017 | 2016 |
| Profit/ (loss) attributable to owners of the parent (US\$'000) | 1,378 | (13,624) | 6,224 | (14,166) |
| Weighted average number of ordinary shares in issue ('000) [see Note (i)] | 46,979 | 46,979 | 46,979 | 46,979 |
| Earnings/ (loss) per share (US cents per share) - basic and diluted | 2.93 | (29.00) | 13.25 | (30.15) |
| | | | | |

Note (i): Total number of issued shares remains the same at 46,979,280 ordinary shares before and after the restructuring.

- 7 **Net asset value for the group per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) **current financial period reported on; and**
(b) **immediately preceding financial year.**

| | 31 December 2017 | 31 December 2016 |
|--|------------------|------------------|
| Net asset value per ordinary share based on issued share capital (in US\$) | 2.89 | 2.68 |

- 8 **A review of the group performance, to the extent necessary for a reasonable understanding of the group's business. It must include discussion of any significant factors that affected the turnover, costs, and earnings for the current financial period report on, including (where applicable) seasonal or cyclical factors; and any material factors that affected the cash flow, working capital, assets or liabilities of the group during current financial period reported on:**

Review of Income Statement

Total Income

Total income of the Group was \$103.9 million for FY2017, a 20% increase from FY2016. Changes in major components of total income, including charter income, fee income, hotel income and investment returns are explained below.

- (i) **Charter Income**

Charter income increased by 10% from \$34.3 million in FY2016 to \$37.8 million in FY2017. FY2017's spot charter rates were better than that of FY2016 resulting in better charter income for the Group's portfolio of ships under short term charter. Furthermore, the Group's portfolio of ships recorded more charter-hire days for FY2017 compared to FY2016 due to an addition to the ship portfolio in FY2017.

(ii) Fee Income

| Breakdown of Fee Income: | 4Q | | | FY | | |
|---------------------------------------|------------------|------------------|-------------|------------------|------------------|-------------|
| | 2017 US\$'000 | 2016 US\$'000 | % Change | 2017 US\$'000 | 2016 US\$'000 | % Change |
| Asset management & administration fee | 566 | 511 | 11% | 2,198 | 2,237 | (2%) |
| Arrangement and agency fee | 2,327 | 133 | N/M | 4,989 | 2,355 | 112% |
| Brokerage commission | 112 | 98 | 14% | 479 | 408 | 17% |
| Incentive fee | 116 | 6 | N/M | 184 | 824 | (78%) |
| | 3,121 | 748 | N/M | 7,850 | 5,824 | 35% |

Total fee income increased by 35% to \$7.9 million in FY2017 from \$5.8 million in FY2016. Arrangement deals closed in 4Q2017 increased arrangement and agency fee income to \$5.0 million for FY2017, a 112% increase compared to \$2.4 million in FY2016.

(iii) Hotel Income

The Group started operating 232-room Hotel Vista Premio Yokohama Minato-Mirai from 30 June 2017 and 143-room Hotel Vista Nagoya Nishiki from 1 September 2017. On the other hand, the hotel operating contract for 141-room Hotel Vista Premio Dojima in Osaka ended on 31 July 2017. Although average occupancy rates and average daily rates remained at around the same level as FY2016, with more rooms under operations, hotel income increased by 15% from \$42.0 million in FY2016 to \$48.1 million in FY2017.

(iv) Investment Returns

| Breakdown of Investment Returns: | 4Q | | | FY | | |
|--|------------------|------------------|-------------|------------------|------------------|-------------|
| | 2017 US\$'000 | 2016 US\$'000 | % Change | 2017 US\$'000 | 2016 US\$'000 | % Change |
| Realised gain on investment properties | 2,181 | 680 | 221% | 4,350 | 1,502 | 190% |
| Realised gain/ (loss) on investments | | | | | | |
| - shipping | 64 | 56 | 14% | 261 | 220 | 19% |
| - hotel and residential | - | (1) | (100%) | - | (17) | (100%) |
| - small residential property developments | 181 | 806 | (78%) | 438 | 4,548 | (90%) |
| - distressed debt | - | - | N/M | - | 122 | (100%) |
| - listed shares | - | - | N/M | 691 | - | N/M |
| Property rental income | 161 | 119 | 35% | 798 | 186 | N/M |
| Fair value adjustment on investment properties | (2) | (888) | (100%) | 1,162 | (1,720) | N/M |
| Fair value adjustment on investments | | | | | | |
| - shipping | (4,310) | (2,375) | 81% | (6,221) | (7,073) | (12%) |
| - commercial office building | 4,685 | 2,900 | 62% | 6,791 | 5,609 | 21% |
| - hotel and residential | 85 | (7) | N/M | 48 | 18 | 167% |
| - small residential property developments | 7 | (913) | N/M | (9) | 332 | N/M |
| - listed shares | (52) | 62 | (184%) | 270 | 52 | N/M |
| Net gain/ (loss) on derivative financial instruments | 3 | 324 | (99%) | (128) | (1,645) | (92%) |
| | 3,003 | 763 | 294% | 8,451 | 2,134 | 296% |

Investment returns for FY2017 was \$8.5 million, a 296% increase from FY2016. This was mainly due to:

- (i) realised gain on investment properties of \$4.35 million;
- (ii) fair value gain from investment properties of \$1.2 million; and
- (iii) net fair value gain from the Group's Hong Kong property projects (commercial office building) of \$6.8 million;

offset by additional net fair valuation loss of \$6.2 million booked mainly for tanker and containership investments.

Total Operating Expenses

While the Group's total income increased by 20%, the Group's total operating expenses decreased by 4% from \$92.6 million in FY2016 to \$88.5 million in FY2017. Employee benefits expenses, hotel lease

expenses and hotel operating expenses increased in line with the increase in the number of hotels under operations.

Impairment booked in FY2016 resulted in lower depreciation expense for FY2017, while onerous contract provisions taken by the Group in FY2016 lowered vessel operating expenses for FY2017.

Operating Profit

Operating profit of the Group was \$15.4 million for FY2017 compared to an operating loss of \$6.3 million for FY2016.

Net Profit After Tax

The Group posted a net profit after tax of \$8.9 million for FY2017, as compared to a loss of \$12.2 million in FY2016.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, and variance between it and the actual results.

Not applicable. The Group has not provided a forecast.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

According to Clarkson's Research January issue, the global orderbook for bulk carriers as of 1 January 2018 had a 12% year-on-year decline, indicating a decline in the supply of bulk carriers. On the other hand, global growth forecasts for 2018 and 2019 have been revised upward by 0.2 percentage point to 3.9 percent in International Monetary Fund's January 2018 World Economic Outlook Update. Together with the ongoing infrastructure projects in 'Belt and Road' countries, demand for dry bulk trade may potentially increase. This potential increase in demand coupled with reduced supply of dry bulk carriers, may result in gradual improvement in dry bulk sector in 2018. This would be favourable for the Group's dry bulk portfolio in 2018. On the other hand, the outlook for tanker and containership market is not as good as the dry bulk market.

In the property sector, Hong Kong property market remains buoyant and Tokyo's property market remains strong. According to the market survey dated December 2017 issued by Sumitomo Mitsui Trust Research Institute, rental of residential properties has increased steadily in Tokyo's 23 wards, which is favourable to the Group's ALERO projects. The Group strives to maximise its potential under these markets conditions.

As for the Group's hotel operating business in Japan, the Group will be adding 5 hotels to the Group's hotel operating portfolio in 2018. As the Group opens more hotels in various cities in Japan, the Group's Vista Hotel brand profile would be raised, which may lead to more repeat customers. Higher brand profile may also result in the Group securing more hotel management contracts.

Overall, the Group will endeavour to capitalise on the better market conditions by actively pursuing business opportunities to expand and strengthen our capabilities so as to increase shareholders' value.

11 Dividend**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Yes.

The Directors are pleased to announce a proposed first and final dividend of S\$0.0625 per share for the financial year ended 31 December 2017. Payment of the said dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

| | |
|---------------------------------|--|
| Name of dividend | Proposed first and final ordinary dividend |
| Dividend type | Cash |
| Dividend amount per share | S\$0.0625 |
| No. of ordinary shares in issue | 46,979,280 |
| Total dividend amount | S\$2,936,205 |
| Tax rate | One-tier tax-exempt dividend |

These financial statements do not reflect this proposed final dividend, which will be accounted for in shareholder's equity as an appropriation of retained earnings in the financial year ending 31 December 2018.

(b) Corresponding period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

| | |
|---------------------------------|--|
| Name of dividend | Proposed first and final ordinary dividend |
| Dividend type | Cash |
| Dividend amount per share | S\$0.03 |
| No. of ordinary shares in issue | 46,979,280 |
| Total dividend amount | S\$1,409,378.40 |
| Tax rate | Cayman Islands tax-exempt dividend |

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

12 If no dividend has been declared/ recommended, a statement to that effect.

Not applicable.

- 13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

| Name of Interested Person | Aggregate value of all interested person transactions conducted under the Shareholders' Mandate (excluding transactions less than S\$100,000) pursuant to Rule 920 US\$'000 |
|--------------------------------------|--|
| Yamasa Co., Ltd (and its associates) | 1,832 |

- 14 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that the undertakings under Rule 720(1) of the Listing Manual have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

- 15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Business segments

The segment results are as follows:

| | Shipping | | | Property and Hotels | | | HQ US\$'000 | Eliminations US\$'000 | Total US\$'000 |
|---|-----------------|-----------------|----------------------------------|--|--|---------------------------------|----------------|--------------------------|-------------------|
| | UAS US\$'000 | MAM US\$'000 | Maritime Services US\$'000 | Property Investment (ex-Japan) US\$'000 | Property Investment (in-Japan) US\$'000 | Hotel Operations US\$'000 | | | |
| Year ended | | | | | | | | | |
| 31 December 2017: | | | | | | | | | |
| Total income | | | | | | | | | |
| External customers | 32,565 | 6,282 | 866 | 7,051 | 8,080 | 48,228 | 14 | - | 103,086 |
| Interest income | 47 | 183 | 6 | 49 | 463 | - | 40 | - | 788 |
| Inter-segment | - | 417 | 991 | - | 1,028 | 160 | - | (2,596) | - |
| | 32,612 | 6,882 | 1,863 | 7,100 | 9,571 | 48,388 | 54 | (2,596) | 103,874 |
| Results | | | | | | | | | |
| Amortisation and depreciation | (7,343) | (2,394) | (17) | (1) | (209) | (81) | (171) | 13 | (10,203) |
| Impairment of property, plant and equipment | (1,000) | - | - | - | - | - | - | - | (1,000) |
| Finance costs – interest expense | (3,618) | (784) | - | - | (407) | (34) | (571) | 67 | (5,347) |
| Finance costs – others | (231) | (38) | - | - | (94) | (23) | - | 87 | (299) |
| Allocation to Tokumei Kumiai investors | - | - | - | - | (582) | - | - | - | (582) |
| Profit/ (loss) before tax | 4,692 | (1,377) | 198 | 5,915 | 5,213 | 479 | (5,895) | (65) | 9,160 |
| Other segment item is as follows: | | | | | | | | | |
| Capital expenditure | 510 | 15,313 | 6 | - | 9,837 | 32 | 30 | - | 25,728 |

Legend:

| | |
|---------------------------------|--|
| UAS: | Uni-Asia Shipping – the Group's ship owning and chartering business |
| MAM: | Maritime Asset Management – the Group's ship investment/asset management as well as finance arrangement business |
| Maritime Services: | The Group's ship commercial/technical management business, as well as ship related brokerage service business |
| Property Investment (ex-Japan): | The Group's ex-Japan property investment/asset management and related business |
| Property Investment (in-Japan): | The Group's property investment/asset management and related business in Japan |
| HQ: | Headquarter expenses |

| | Shipping | | | Property and Hotels | | | HQ US\$'000 | Eliminations US\$'000 | Total US\$'000 |
|---|-----------------|-----------------|----------------------------------|--|--|---------------------------------|----------------|--------------------------|-------------------|
| | UAS US\$'000 | MAM US\$'000 | Maritime Services US\$'000 | Property Investment (ex-Japan) US\$'000 | Property Investment (in-Japan) US\$'000 | Hotel Operations US\$'000 | | | |
| Year ended 31 December 2016: | | | | | | | | | |
| Total income | | | | | | | | | |
| External customers | 27,955 | 1,713 | 563 | 8,356 | 4,929 | 42,054 | 5 | - | 85,575 |
| Interest income | 19 | 117 | 3 | 50 | 498 | - | 36 | - | 723 |
| Inter-segment | - | 908 | 991 | - | 2,991 | 192 | - | (5,082) | - |
| | 27,974 | 2,738 | 1,557 | 8,406 | 8,418 | 42,246 | 41 | (5,082) | 86,298 |
| Results | | | | | | | | | |
| Amortisation and depreciation | (8,273) | (1,911) | (23) | - | (195) | (85) | (174) | 13 | (10,648) |
| Impairment of property, plant and equipment | (8,590) | - | - | - | - | - | - | - | (8,590) |
| Finance costs - interest expense | (3,703) | (626) | - | (45) | (345) | (31) | (384) | 55 | (5,079) |
| Finance costs – others | (284) | (34) | - | (20) | (67) | (6) | - | 95 | (316) |
| Allocation to Tokumei Kumiai investors | - | - | - | 47 | 158 | - | - | - | 205 |
| (Loss)/ profit before tax | (13,977) | (3,357) | (688) | 6,342 | 5,369 | 1,025 | (4,234) | (1,960) | (11,480) |
| Other segment item is as follows: | | | | | | | | | |
| Capital expenditure | 25,451 | - | 3 | 2 | 7,913 | 33 | 53 | - | 33,455 |

The segment assets and liabilities are as follows:

| | Shipping | | | Property and Hotels | | | HQ US\$'000 | Eliminations US\$'000 | Total US\$'000 |
|---|-----------------|-----------------|----------------------------------|--|--|---------------------------------|----------------|--------------------------|-------------------|
| | UAS US\$'000 | MAM US\$'000 | Maritime Services US\$'000 | Property Investment (ex-Japan) US\$'000 | Property Investment (in-Japan) US\$'000 | Hotel Operations US\$'000 | | | |
| Year ended 31 December 2017: | | | | | | | | | |
| Segment assets | | | | | | | | | |
| Total assets | 162,653 | 68,853 | 1,755 | 42,220 | 67,305 | 17,402 | 12,681 | (2,992) | 369,877 |
| Segment liabilities | | | | | | | | | |
| Total liabilities | 108,990 | 53,640 | 539 | 27,740 | 56,180 | 12,117 | 4,837 | (30,131) | 233,912 |
| Year ended 31 December 2016: | | | | | | | | | |
| Segment assets | | | | | | | | | |
| Total assets | 169,956 | 58,432 | 1,601 | 36,543 | 37,765 | 12,807 | 13,607 | (3,039) | 327,672 |
| Segment liabilities | | | | | | | | | |
| Total liabilities | 122,117 | 39,238 | 633 | 28,420 | 29,355 | 7,975 | 4,558 | (30,516) | 201,780 |

16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

For review of performance, please refer to item 8.

17 A breakdown of sales as follows:-

| | 2017 US\$'000 | 2016 US\$'000 | % Change |
|---|------------------|------------------|-------------|
| Total income reported for first half year | 48,132 | 41,525 | 16% |
| Profit after tax for first half year | 5,521 | 1,212 | N/M |
| Total income reported for second half year | 55,742 | 44,773 | 24% |
| Profit/ (loss) after tax for second half year | 3,345 | (13,440) | N/M |

- 18 **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

| | 31 December 2017 S\$'000 | 31 December 2016 S\$'000 |
|---|-------------------------------------|-------------------------------------|
| Ordinary - Proposed first and final Dividend | 2,936 | 1,409 |

- 19 **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(13).

BY THE ORDER OF THE BOARD

Michio Tanamoto
Chairman and CEO
1 March 2018