UNI-ASIA GROUP LIMITED
Company Registration No: 201701284Z
Incorporated in the Republic of Singapore

PRESS RELEASE -- FOR IMMEDIATE RELEASE

Uni-Asia Achieved A Strong Recovery With Net Profit of US$8.9 million for FY2017

- **Total income increased by 20% to US$103.9 million in FY2017, charter income and hotel income registered 10% and 15% growth respectively compared to last year**
- **Investment returns increased by nearly three-fold mainly due to gains from 2nd Hong Kong property project and Alero projects**
- **Fee income increased by 35% mainly due to new finance arrangement deals closed**
- **Business environment for Group's shipping, hotel management and property investment segments is expected to remain stable and gradually improve**

Singapore, 1 March 2018 – Uni-Asia Group Limited ("**Uni-Asia**" or the "**Group**"), an alternative investment company and integrated service provider of vessels and properties, announced its financial results for the year ended 31 December 2017 ("**FY2017**").

Financial Highlights	**4Q2017 US$'000**	**4Q2016 US$'000**	**Chg %**	**FY2017 US$'000**	**FY2016 US$'000**	**Chg %**
Total Income	30,324	21,817	39	103,874	86,298	20
Total Operating Expenses	(25,796)	(33,126)	(22)	(88,486)	(92,588)	(4)
Operating Profit	4,528	(11,309)	N/M	15,388	(6,290)	(N/M)
Operating Profit Margin	*14.9%*	-	-	*14.8%*	-	-
Net Profit/ (Loss) After Tax	3,178	(12,721)	N/M	8,866	(12,228)	N/M
Profit Attributable to Owners of the Parent	1,378	(13,624)	N/M	6,224	(14,166)	N/M
Basic Earnings Per Share (US cents)[1]	2.93	(29.00)	N/M	13.25	(30.15)	N/M

N/M: Not Meaningful
ppts: percentage points

[1]*Based on the weighted average of 46,979,280 ordinary shares in issue for FY2017 and FY2016 respectively*

FY2017 FINANCIAL REVIEW

Total income for the Group increased 20% from US$86.3 million in FY2016 to US$103.9 million in FY2017.

Revenue	4Q2017 US$'000	4Q2016 US$'000	Chg %	FY2017 US$'000	FY2016 US$'000	Chg %
Charter Income	10,335	9,029	14	37,828	34,252	10
Fee Income	3,121	748	N/M	7,850	5,824	35
Hotel Income	13,609	11,542	18	48,097	41,973	15
Investment Returns	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**

(i) Charter Income

Charter income increased by 10% from US$34.3 million in FY2016 to US$37.8 million in FY2017. The increase was attributable to (1) better spot charter rates for the Group's portfolio of ships under short-term charter, and (2) there were more charter-hire days for the Group's portfolio of ships in FY2017 compared to FY2016 due to an addition to the ship portfolio in FY2017.

(ii) Fee Income

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

(iii) Hotel Income

Hotel income rose 15% from US$42.0 million in FY2016 to US$48.1 million in FY2017. Average occupancy rates and average daily rates remained at around the same level as FY2016, while the total number of rooms under the Group's operations increased. The Group started operating two hotels with 232 rooms (since 30 June 2017) and 143 rooms (since 1 September 2017), and the hotel operating contract for a 141-room hotel ended on 31 July 2017.

(iv) Investment Returns

Investment returns increased by 296% to US$8.5 million in FY2017. This was mainly attributable to a realised gain on investment properties of US$4.35 million, a fair value gain from investment properties of US$1.2 million, and a net fair value gain from the Group's Hong Kong property project (commercial office building) of US$6.8 million. The gains were offset by additional net fair valuation loss of US$6.2 million booked mainly for tanker and containership investments.

Total Operating Expenses

While the Group's total income increased by 20%, total operating expenses decreased by 4% from US$92.6 million in FY2016 to US$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 operation. The decrease in total operating expenses were due to (1) the impairment booked in FY2016 resulted in lower depreciation expense for FY2017, and (2) provisions for onerous contract in FY2016 which reduced vessel operating expenses in FY2017.

Net Profit after Tax

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

Net Asset Value

As of 31 December 2017, the Group had a Net Asset Value ("**NAV**") per share of US$2.89, compared to US$2.68 as of 31 December 2016.

OUTLOOK

The operating environment for the Group's shipping business is expected to continue to improve, as the oversupply situation in the dry-bulker segment eases, and global economic growth remains healthy. 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.

--- The End ---

About Uni-Asia Group Limited. (Bloomberg Code: UAG SP)

Uni-Asia Group Ltd is an alternative investment company performing a variety of roles including asset owner and manager, operator, co-investor, ship finance arranger, broker and fund manager. Uni-Asia's investments are focused on cargo vessels and properties in Hong Kong and Japan. To improve investment returns, Uni-Asia also provides integrated services for the invested assets, including acting as operator for commercial maritime vessels and invested properties which encompasses commercial, residential and hotel properties.

Listed on the Main Board of the Singapore Exchange in August 2007, their offices are located in Hong Kong, Singapore, Tokyo, China, Taiwan, and South Korea.

For more information, please visit the corporate website at www.uni-asia.com

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