

Uni-Asia Finance Corporation
Company Registration No. CR-72229
(Incorporated in the Cayman Islands with limited liability on 17 March 1997)

ACQUISITION OF CAPITAL ADVISERS THROUGH SHARE SWAP

The Board of Directors (the "**Board**") of Uni-Asia Finance Corporation (the "**Company**") wishes to make the following announcement :-

(a) Information pursuant to Rule 1010 of the Listing Manual

1. Capital Advisers. Capital Advisers Co., Ltd, is a limited liability company incorporated on 24 February 2000 in Japan and an associated company of the Company (the "**Capital Advisers**"). Capital Advisers focuses on investment in and management of residential and hotel related real estate assets in Japan. It seeks investments across a range of locations with a focus on balanced risk and return.

Capital Advisers, by itself or in cooperation with its business partners, looks for the appropriate property projects to invest in. At the initial stage of an investment, it arranges the investment structure, establishes a special purpose company ("**SPC**") which owns the property in the form of a trust, arranges equity contribution to the SPC, arranges non-recourse loan, from financial institutions on behalf of the SPC. Capital Advisers itself may invest in the SPC as a minority investor. Capital Advisers also acts as the asset manager of the assets owned by the SPC and manages the SPC's assets including the invested property on behalf of the SPC, eventually on behalf of the investors. At the end of the investment period or sometimes during the investment period, in order to maximize investors' return, Capital Advisers also engages in a selling procedure as the asset manager.

2. Acquisition. Pursuant to a swap agreement (the "**Agreement**") to be agreed between the Company and all existing shareholders of Capital Advisers, new shares of the Company will be issued to all existing shareholders of Capital Advisers (the "**Proposed Acquisition**"). Pursuant to the Agreement, new shares in the ordinary share capital of the Company will be issued to all existing shareholders of Capital Advisers who have consented to the swap agreement in return for the transfer of shares of Capital Advisers to the Company. This transaction is targeted to take place in early January 2008.

As of the date of this application, there are 17,850 shares in the ordinary capital of Capital Advisers, of which the Company (through its wholly-owned subsidiary, Offshore Property Investment Corporation)

owns 8,000 shares. The Company will be acquiring up to 9,850 shares of Capital Advisers, which are the remaining shares in Capital Advisers from the existing shareholders through a share swap. The swap ratio will be based on the net asset value per share of Capital Advisers, which is JPY125,000 per share calculated using the Consolidated Financial Statement of Capital Advisers as of 30 September 2007 and adjusting for expected Consolidated Profit and Loss of Capital Advisers up to 31 December 2007. The new shares to be issued by the Company to each shareholder of Capital Advisers will be based on the following formula (rounded up to the nearest thousand shares:-

$$\text{No. of UAF to be received by an existing shareholder of Capital Advisers} = \frac{A \times B}{C}$$

where:

- A – Net asset value per share of Capital Advisers, which is JPY125,000 calculated using the Consolidated Financial Statement of Capital Advisers as of 30 September 2007 and adjusting for expected Consolidated Profit and Loss of Capital Advisers up to 31 December 2007
- B – Number of Capital Advisers shares held by an existing shareholder of Capital Advisers
- C – Average closing share price of the shares of the Company for the period 3 December 2007 to 21 December 2007 (inclusive)

The relevant exchange rate to be used for purposes of calculating the number of shares in the Company that is to be issued to an existing shareholder of Capital Advisers will be that as at 21 December 2007.

The proposed share swap arrangement as set out above is subject to the approval from each of the existing shareholders of Capital Advisers.

3. Consideration. The total consideration (the “Consideration”) for the Proposed Acquisition is up to approximately US\$10.7 million, which was ascertained on the basis of the net asset value per share of Capital Advisers of JPY125,000 calculated using the Consolidated Financial Statement of Capital Advisers as of 30 September 2007 and adjusting for expected Consolidated Profit and Loss of Capital Advisers up to 31 December 2007, and on the assumption that the Company acquires up to an additional 55.2% in the ordinary capital of Capital Advisers, resulting in a total interest of up to 100% at the end of the Proposed Acquisition. There is no additional financing required to carry out the Proposed Acquisition.

4. Material conditions. The Proposed Acquisition is conditional upon the Company obtaining approval from shareholders of Capital Advisers who are agreeable to participating in the shares swap.

5. Net Asset Value. As of 30 September 2007, the unaudited net asset value of Capital Advisers is ¥2,389,648,719 (approximately US\$20,723,690). The total assets of the Capital Advisers is ¥6,139,742,50 (approximately US\$53,245,534).

6. Net Profits. As of 30 September 2007, the unaudited net profits of Capital Advisers is ¥155,774,155 (approximately US\$1,350,916).

7. Financial Effects. Assuming that the Proposed Acquisition had been effected on 31 December 2006 (being the end of the most recent completed financial year of the Company, the net tangible assets per ordinary share of the Company would have remain unchanged from US\$0.35 to US\$0.35.

Assuming that the Proposed Acquisition had been effected on 1 January 2006 (being the beginning of the most recent completed financial year of the Company, the earnings per ordinary share of the Company would have remain unchanged at US\$0.05 and US\$0.05.

8. Rationale. The Proposed Acquisition is in line with the Company's strategy to secure and leverage on existing experience and know-how so as to increase the revenue of the Company. By having a controlling stake in Capital Advisers, the Acquisition will enable the Company to capitalize on the track record of Capital Advisers and strengthen the Company's position in property investment and management business in Japan.

9. Interests of Directors and Controlling Shareholders. Save that two of our Directors, Mr Kazuhiko Yoshida and Mr Michio Tanamoto, are also directors of Capital Advisers, none of the Directors and controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition.

10. No New Appointment of Directors. No new directors will be appointed to the Board of Directors

of the Company in connection with the Proposed Acquisition.

11. Rule 1006. The relative figures computed on the bases of Rule 1006 of the Listing Manual are as follows:

(i) Computed figures for the Acquisition

Rule 1006(c). The aggregate value of the Consideration to be paid for the Proposed Acquisition is approximately US\$10.7 million, representing approximately 8.0% of the Company's market capitalization of approximately US\$134.3 million based on 248,128,000 Shares in issue and the closing price of S\$0.785 per Share transacted on 3 Dec 2007.

Rule 1006(d). The number of securities to be issued by the Company as Consideration for the Proposed Acquisition, compared with the number of Shares currently in issue is approximately 8.0% based on the estimated Consideration to be paid for the Proposed Acquisition of approximately US\$10.7 million, the closing price of S\$0.785 per Share transacted on 3 Dec 2007 and the exchange rate of US\$1.00 : S\$1.45.

12. Shareholders' Approval. As the relative figures computed on the basis of Rule 1006(c) and 1006(d) exceed 5% but does not exceed 20%, the Proposed Acquisition is a discloseable transaction for the purposes of Chapter 10 of the Listing Manual and accordingly, is not subject to the approval of shareholders of the Company.

(b) Details of the interested person in accordance with Chapter 9 of the Listing Manual

The Proposed Acquisition does not constitute an interested person transaction for the purposes of Chapter 9 of the Listing Manual.

**For and on behalf of
Uni-Asia Finance Corporation**

5 December 2007

The initial public offering of shares of Uni-Asia Finance Corporation (the "Offering") commenced on 8 August 2007 and closed on 15 August 2007. In the Offering, DBS Bank Ltd was the Manager, Underwriter and Placement Agent.