

UNI-ASIA FINANCE CORPORATION

Company Registration No. CR-72229

(Incorporated in the Cayman Islands with limited liability on 17 March 1997)

DISPOSAL OF SUBSIDIARY

The Board of Directors (the "**Board**") of Uni-Asia Finance Corporation (the "**Company**") refer to the announcement made on 28 September 2007 regarding the establishment of Ocean Rouge and the acquisition of a vessel and wish to announce that the Company will dispose of its Panama-incorporated subsidiary known as Ocean Rouge INC, ("**Ocean Rouge**") to Uni-Fast Limited ("**Uni-Fast**") on or after 14th December 2007.

1. **Ocean Rouge.** Ocean Rouge is a wholly-owned subsidiary of the Company, established on 18 September 2007 as a special purpose vessel-holding company. Ocean Rouge currently holds a Roro-type vessel known as "Ocean Rouge" (the "**Vessel**").

2. **Disposal.** Ocean Rouge entered into bareboat charter agreement (the "**Bareboat Charter**") on 28 September 2007 with Uni-Fast for the charter of the Vessel. Pursuant to the Bareboat Charter, Uni-Fast has an option to purchase the Vessel at any time during the charter period. And as previously announced, Uni-Fast is contractually bound to acquire the Vessel upon completion of the arrangements for loan financing by the Company on behalf of Uni-Fast and Ocean Rouge.

The Board wishes to announce that the arrangement of loan financing has been completed and Uni-Fast has exercised its option to purchase the Vessel. It is agreed that the disposal of the Vessel will take the form of a sale of the entire share capital of Ocean Rouge at par value by the Company to Uni-Fast (the "**Disposal**") pursuant to a sale and purchase agreement (the "**Sale and Purchase Agreement**"). Alongside the Sale and Purchase Agreement, Uni-Fast is required to repay the shareholder's loan provided by the Company to Ocean Rouge. The Company is pleased to announce that it has entered into the Sale and Purchase Agreement with Uni-Fast on 7 December 2007.

3. **Consideration.** It is agreed that the consideration payable by Uni-Fast to the Company (the "**Consideration**") pursuant to the Sale and Purchase Agreement will be fixed at US\$9 million. The Consideration represents approximately 4.7% of the market capitalisation of the Company of S\$280.4 million as at the date of this Announcement. The Consideration was negotiated on a willing buyer-willing seller basis.

4. **Material terms of the Bareboat Charter and the Sale and Purchase Agreement.** The Vessel was delivered to the Company on 28 September 2007. Upon delivery, the Vessel has been chartered to Uni-Fast under the Bareboat Charter, with a charter hire rate of US\$4,500 per day. After the delivery of the Vessel, the Company provided a shareholder's loan of US\$9.0 million to Ocean Rouge.

Pursuant to the Sale and Purchase Agreement, with Uni-Fast having exercised its purchase option over the Vessel, Uni-Fast will be acquiring all the shares of Ocean Rouge from the Company at par value, and the consideration of US\$9 million shall be applied towards the repayment of the US\$9 million shareholder's loan

provided by the Company.

5. **Net Asset Value.** As at the date of this Announcement, no valuation has been conducted on the Vessel and no audit has been conducted on Ocean Rouge. The unaudited net asset value of Ocean Rouge, based on the book value of the Vessel, is US\$0.3 million, representing approximately 0.5 % of the audited consolidated net asset value of the Company as at 31 December 2006 of US\$59.766 million.

6. **Net Profits.** As at the date of this announcement, no audit has been conducted on Ocean Rouge. The estimated net profits, based on the charter income received by the Company in respect of the Vessel less the operating expenses arising from the vessel, would be US\$0.29 million, representing 2.5% of the Company's audited consolidated net profits for the financial year ended December 31, 2006 of US\$11.433 million.

7. **Financial Effects.** The Disposal is not expected to have any material impact on the net tangible assets and operating results of the Company for the current financial year.

8. **Rationale.** As previously announced, the establishment of Ocean Rouge and the Disposal, is intended to benefit the Company through (a) the receipt of charter income for the period between the delivery of the Vessel and the Disposal; and (b) fee income for arranging the loan financing for the Vessel on behalf of Uni-Fast and Ocean Rouge. The Company did not intend to own or operate the Vessel for the long-term and the transaction has been structured such that Uni-Fast is contractually bound to acquire the Vessel from Ocean Rouge upon the completion of the loan financing.

9. **Interests of Directors and Controlling Shareholders.** None of the Directors and controlling shareholders of the Company has any interest, direct or indirect, in the Disposal.

10. **No New Appointment of Directors.** No new directors will be appointed to the Board of Directors of the Company in connection with the Disposal.

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 Disposal

Rule 1006(a) of the Listing Manual: The unaudited net asset value of Ocean Rouge, based on the book value of the Vessel, is approximately US\$0.3 million, representing approximately 0.5 % of the audited consolidated net asset value of the Company as at 31 December 2006 of US\$59.766 million.

Rule 1006(b) of the Listing Manual: The unaudited net profit of US\$0.29 attributable to the Vessel represents 2.5% of the Company's audited consolidated net profits for the financial year ended December 31, 2006 of US\$11.433 million.

Rule 1006(c) of the Listing Manual: The aggregate value of the Consideration paid for the Shares of US\$9

million represents approximately 4.7% of the Company's market capitalization based on the weighted average price of the Company's shares transacted on the date of this Announce of S\$280.4 million .

For and on behalf of
Uni-Asia Finance Corporation

7 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.