

UNI-ASIA FINANCE CORPORATION

Company Registration No. CR-72229

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

ESTABLISHMENT OF NEW SUBSIDIARY FOR THE PROPOSED ACQUISITION OF A NEW VESSEL

The Board of Directors (the “**Board**”) of Uni-Asia Finance Corporation (the “**Company**”) is pleased to announce that the Company has, through Uni Ships Line Inc. Limited (“**Uni Ships Line**”), a wholly owned subsidiary of the Company, acquired a new wholly owned Panama-incorporated subsidiary known as Imperial Bulkship. S.A. (“**Imperial Bulkship**”) as a ship owning company for the purpose of acquiring a 29,100 dwt newbuilding handy bulk carrier (“**New Vessel**”) to be delivered in the first quarter of 2012 (the “**Proposed Acquisition**”).

1. **Imperial Bulkship.** Imperial Bulkship was incorporated in Panama on 26 May 2006 with an authorised share capital of US\$ 10,000. It currently has an issued and paid-up share capital of US\$ 10,000 comprising 100 ordinary shares of US\$ 100 each, of which the subscription price has been paid for by the Company in cash in full on 21 September 2010. The acquisition of Imperial Bulkship was made with the Company’s internal funds. The directors of Imperial Bulkship comprise staff of the Company and do not include any Directors of the Company.

2. **Material Terms of the Proposed Acquisition.** The New Vessel is currently being built by Yangzhou Nakanishi Shipbuilding Co. Ltd. (the “**Builder**”) under a shipbuilding contract (“**Shipbuilding Contract**”). Under the Shipbuilding Contract, the New Vessel would be sold by the Builder and Jiangsu New Yangzi Shipbuilding Co., Ltd. (collectively with the Builder, the “**Seller**”) to a shipping company (not being an associate of a Director or controlling shareholder of the Company) (the “**Original Buyer**”). Imperial Bulkship had acquired the New Vessel by entering into a novation agreement with the Seller and the Original Buyer on 13 August 2010 whereupon the Original Buyer’s rights and obligations under the Shipbuilding Contract were novated in favour of Imperial Bulkship. The consideration for the Proposed Acquisition is approximately US\$ 23.5 million and was derived at after taking into account, *inter alia*, the contract price for the New Vessel under the Shipbuilding Contract which was in turn determined on the basis of the prevailing market price for similar vessels. The Company has been considering several funding options to finance the acquisition of the vessel. Such financing arrangements will be finalised after further discussions with third party financial institutions which may extend debt financing to the Company.

3. **Time Charter Agreement for New Vessel.** The Company is currently in negotiations with potential charterers in respect of charter arrangements to be entered into for the New Vessel.
4. **Chapter 10 of the SGX-ST Listing Manual.** The Proposed Acquisition is in the ordinary course of the Company's business. In view of the foregoing, the Proposed Acquisition would not constitute a "transaction" for the purposes of Chapter 10 of the SGX-ST Listing Manual.
5. **Rationale for the Proposed Acquisition.** The Proposed Acquisition is intended to benefit the Company through a receipt of charter income.
6. **Financial effects.** The acquisition of Imperial Bulkship and the Proposed Acquisition are not expected to have any material impact on the net tangible assets per share, earnings per share and operating results of the Company for the current financial year.
7. **Interests of Directors and Controlling Shareholders.** None of the Directors and controlling shareholders of the Company has any interest, direct or indirect, in the establishment of acquisition of Imperial Bulkship or the Proposed Acquisition.

For and on behalf of
Uni-Asia Finance Corporation

22 September 2010