

## UNI-ASIA FINANCE CORPORATION

Company Registration No. CR-72229

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

### INCREASE OF SHAREHOLDING IN ASSOCIATED COMPANY

The Board of Directors of Uni-Asia Finance Corporation (the “**Company**”) wishes to announce that the Company has increased its shareholding in the capital of Matin Shipping Limited. (“**Matin Shipping**”) from 20,000 shares (40%) to 24,500 shares (49%) (the “**Acquisition**”).

**1. Matin Shipping.** Matin Shipping was established as a jointly owned Hong Kong-incorporated company which is an investment arm in relation to the acquisition of a 37,300 dwt bulk carrier expected to be delivered in 4Q 2011. Matin Shipping was incorporated on 19 April 2007 in Hong Kong with an authorised share capital of US\$ 1 million and currently has an issued and paid-up share capital of US\$ 50,000 comprising 50,000 ordinary shares of US\$1.00 each, of which 20,000 shares or 40% of the total shares were registered in the name of the Company and the remaining 30,000 shares or 60% of total shares were registered in the name of Uni-Fast Limited (“**Uni-Fast**”), an unrelated third party company incorporated in Hong Kong, in the business of ship owning and management. The Company and Uni-Fast entered into a shareholders’ agreement dated 28 May 2007 (the “**Shareholders Agreement**”) to govern the management of Matin Shipping and their respective rights and obligations as the shareholders thereof.

**2. Acquisition.** On 23 March 2011, the Company entered into a 2<sup>nd</sup> supplemental shareholders’ agreement (the “**Supplemental Shareholders Agreement**”) to purchase 4,500 shares from Uni-Fast at par value. Pursuant to the Supplemental Shareholders Agreement, 24,500 shares or 49% of the total shares will be registered in the name of the Company.

The price of the Acquisition is US\$ 4,500 and will be internally funded by the Company and paid in cash in full upon completion.

**3. Chapter 10 of the SGX-ST Listing Manual.** The Acquisition is in the ordinary course of the Company’s business. In view of the foregoing, the Acquisition would not constitute a “transaction” for the purposes of Chapter 10 of the SGX-ST Listing Manual.

**4. Rationale for the Proposed Acquisition.** The Acquisition is intended to benefit the Company through a larger share on its investment pursuant to its increased shareholding.

**5. Accounting Treatment.** Matin Shipping will not be treated as an associated company but will be accounted for as an investment in accordance with IAS 39.

**6. Financial effects.** With the increase of interest in Matin Shipping, fair value of the Company’s investment in Matin Shipping will be adjusted to reflect the increase of the Company’s interest. Save as disclosed above, the acquisition of shares of Matin Shipping 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 acquisition of shares in Matin Shipping.

For and on behalf of  
Uni-Asia Finance Corporation

23 March 2011