



UNI-ASIA HOLDINGS LIMITED

Registration No: CR - 72229

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

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

- 1 (a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	4 th Quarter ("4Q")			Full year ("FY")		
		2014 US\$'000	2013 US\$'000	% Change	2014 US\$'000	2013 US\$'000	% Change
Charter Income		5,464	4,646	18%	19,396	16,190	20%
Fee income	[8(ii)]	1,345	2,100	(36%)	6,729	8,769	(23%)
Hotel income		8,463	8,402	1%	34,971	38,735	(10%)
Investment returns	[8(iv)]	1,334	3,051	(56%)	4,672	7,287	(36%)
Interest income		177	224	(21%)	818	1,016	(19%)
Other income		143	223	(36%)	548	1,881	(71%)
Total income		16,926	18,646	(9%)	67,134	73,878	(9%)
Employee benefits expenses		(3,719)	(4,832)	(23%)	(14,060)	(16,165)	(13%)
Amortisation and depreciation		(1,699)	(1,389)	22%	(6,097)	(5,283)	15%
Vessel operating expenses		(2,228)	(1,933)	15%	(8,306)	(7,287)	14%
Hotel lease expenses		(2,811)	(2,586)	9%	(11,880)	(11,772)	1%
Hotel operating expenses		(3,491)	(3,585)	(3%)	(14,834)	(16,749)	(11%)
Other expenses		(1,932)	(1,372)	41%	(5,583)	(5,292)	5%
Impairment of property, plant and equipment		(680)	(47)	N/M	(680)	(547)	24%
Write-back of provision of onerous contracts		-	(3)	N/M	-	209	(100%)
Net foreign exchange gain/ (loss)		208	(154)	N/M	(82)	(451)	(82%)
Total operating expenses		(16,352)	(15,901)	3%	(61,522)	(63,337)	(3%)
Operating profit		574	2,745	(79%)	5,612	10,541	(47%)
Finance costs – interest expense		(634)	(564)	12%	(2,344)	(2,233)	5%
Finance costs – others		(23)	(92)	(75%)	(137)	(276)	(50%)
Allocation to Tokumei Kumiai* investors		39	(2,035)	102%	118	(2,223)	105%
(Loss)/ Profit before tax		(44)	54	(181%)	3,249	5,809	(44%)
Income tax expense		(809)	(17)	N/M	(1,141)	(168)	579%
(Loss)/ Profit for the period/ year		(853)	37	N/M	2,108	5,641	(63%)
Attributable to:							
Owners of the parent		(853)	(15)	N/M	2,150	5,448	(61%)
Non-controlling interests		-	52	(100%)	(42)	193	(122%)
		(853)	37	N/M	2,108	5,641	(63%)

* Tokumei Kumiai ("TK") refers to a form of silent partnership structure used in Japan. Allocation to TK investors refers to share of profit and loss attributable to other TK investors of the TK structure.

	4 th Quarter ("4Q")			Full year ("FY")		
	2014 US\$'000	2013 US\$'000	% Change	2014 US\$'000	2013 US\$'000	% Change
(Loss)/ Profit for the period/ year	(853)	37	N/M	2,108	5,641	(63%)
Other comprehensive (expense)/ income for the period/ year, net of tax:						
Items that may be reclassified subsequently to profit or loss:						
Exchange differences on translation of foreign operations	(1,272)	(564)	126%	(2,099)	(1,149)	83%
Net movement on cash flow hedges	(73)	71	N/M	(15)	(1,027)	(99%)
Other comprehensive expense for the period/ year, net of tax	(1,345)	(493)	173%	(2,114)	(2,176)	(3%)
Total comprehensive (expense)/ income for the period/ year	(2,198)	(456)	N/M	(6)	3,465	(100%)
Attributable to:						
Owners of the parent	(2,194)	(506)	N/M	43	3,276	(99%)
Non-controlling interests	(4)	50	(108%)	(49)	189	(126%)
	(2,198)	(456)	N/M	(6)	3,465	(100%)

N/M: Not meaningful

1 (b) (i) A statement of financial position for the group and the issuer, together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31 December 2014 US\$'000	31 December 2013 US\$'000	31 December 2014 US\$'000	31 December 2013 US\$'000
ASSETS				
Non-current assets				
Investment properties	11,771	10,109	-	-
Intangible assets	69	74	-	-
Property, plant and equipment	130,444	111,923	561	42
Loans receivable	5,886	8,811	2,886	5,811
Loans to subsidiaries	-	-	9,168	5,310
Investments	45,070	31,199	24,355	25,137
Investments in subsidiaries	-	-	53,923	48,766
Rental deposit	1,585	1,610	-	-
Derivative financial instruments	218	230	328	102
Deferred tax assets	26	27	-	-
Deposits for purchase of vessels	13,899	6,895	-	-
Total non-current assets	208,968	170,878	91,221	85,168
Current assets				
Investments	1,108	2,546	-	-
Loans receivable	900	2,100	900	1,100
Loans to subsidiaries	-	-	11,142	5,524
Derivative financial instruments	96	27	96	27
Accounts receivable	2,969	3,135	68	94
Amounts due from subsidiaries	-	-	754	373
Prepayments, deposits and other receivables	2,836	2,496	318	381
Tax recoverable	498	21	-	-
Deposits pledged as collateral	5,188	7,378	5,188	7,378
Cash and bank balances	36,321	47,566	13,872	30,215
Total current assets	49,916	65,269	32,338	45,092
Total assets	258,884	236,147	123,559	130,260

	Group		Company	
	31 December 2014 US\$'000	31 December 2013 US\$'000	31 December 2014 US\$'000	31 December 2013 US\$'000
EQUITY				
Equity attributable to owners of the parent				
Share capital	75,167	75,167	75,167	75,167
Share premium	31,319	31,319	31,319	31,319
Retained earnings	30,333	30,521	4,567	11,589
Hedging reserve	8	23	(16)	(30)
Exchange reserve	699	2,791	-	-
Capital reserve	(117)	(117)	-	-
Total equity attributable to owners of the parent	137,409	139,704	111,037	118,045
Non-controlling interests	1,003	509	-	-
Total equity	138,412	140,213	111,037	118,045
LIABILITIES				
Non-current liabilities				
Borrowings	87,865	62,734	3,343	3,810
Finance lease obligations	-	6	-	-
Due to Tokumei Kumiai investors	689	687	-	-
Deferred tax liabilities	1,293	-	-	-
Derivative financial instruments	202	47	344	132
Other payables	80	30	-	-
Total non-current liabilities	90,129	63,504	3,687	3,942
Current liabilities				
Borrowings	22,943	23,379	7,505	6,262
Finance lease obligations	-	8	-	-
Due to Tokumei Kumiai investors	-	519	-	-
Accounts payable	2,422	2,462	-	-
Amounts due to subsidiaries	-	-	393	198
Other payables and accruals	4,469	5,648	937	1,788
Derivative financial instruments	280	324	-	25
Income tax payable	229	90	-	-
Total current liabilities	30,343	32,430	8,835	8,273
Total liabilities	120,472	95,934	12,522	12,215
Total equity and liabilities	258,884	236,147	123,559	130,260

NOTES:-

The Group's non-current assets increased by 22.3% from \$170.9 million on 31 December 2013 to \$209.0 million on 31 December 2014 due mainly to (i) Group's investment in a commercial office development project in Hong Kong (under "Investments"); (ii) delivery of one wholly owned vessel in July 2014 (classified under "Property, plant and equipment") as well as (iii) scheduled payments for ships under construction (classified under "Deposits for purchase of vessels"). Meanwhile current assets reduced from \$65.3 million on 31 December 2013 to \$49.9 million on 31 December 2014 mainly due to reduction in cash to fund the aforementioned investments.

Total liabilities increased to \$120.5 million on 31 December 2014 from \$95.9 million on 31 December 2013 due mainly to increase in borrowings for property and ship related investments.

1 (b) (ii) **Aggregate amount of group's borrowings and debt securities.**

	As at 31 December 2014		As at 31 December 2013	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	16,172	6,771	23,073	306
Amount repayable after one year	75,303	12,562	58,134	4,600
Total	91,475	19,333	81,207	4,906

Details of any collaterals

The Group's borrowings are secured by means of:

- > legal mortgages over certain cash deposits of the holding company
- > legal mortgages over investment properties of subsidiaries
- > legal mortgages over vessels of the subsidiaries
- > a legal mortgage over a freehold property under the category of "Property, plant and equipment" of a subsidiary

1 (c) A statement of cash flows for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	Full year	
		2014 US\$'000	2013 US\$'000
Cash flows from operating activities			
Profit before tax		3,249	5,809
Adjustments for:			
Investment returns		(4,672)	(7,287)
Amortisation and depreciation		6,097	5,283
Realisation of negative goodwill arising on acquisition of a subsidiary		-	(9)
Loss on disposal of property, plant and equipment		10	-
Impairment of property, plant and equipment		680	547
Write-back of provision of onerous contracts		-	(209)
Provision for accounts receivable		(2)	42
Net foreign exchange loss		82	451
Interest income		(818)	(1,016)
Finance costs – interest expense		2,344	2,233
Finance costs – others		137	276
Allocation to Tokumei Kumiai investors		(118)	2,223
Operating cash flows before changes in working capital		6,989	8,343
Changes in working capital:			
Net change in accounts receivable		(763)	4,035
Net change in prepayments, deposits and other receivables		(551)	(869)
Net change in accounts payable		163	(879)
Net change in other payables and accruals		(259)	1,525
Cash flows generated from operations		5,579	12,155
Interest received on bank balances		164	195
Tax paid		(943)	(208)
Net cash flows generated from operating activities	[A]	4,800	12,142
Cash flows from investing activities			
Acquisition of a subsidiary		-	218
Purchase of investment properties		(2,136)	(3,791)
Purchase of investments		(19,510)	(4,044)
Proceeds from sale of investment properties		2,444	-
Proceeds from redemption/ sale of investments		6,303	9,790
Proceeds from disposal of a hotel		-	16,807
Net cash inflow on acquisition of an investment		-	17
Deposits paid for purchase of vessels		(9,314)	(6,882)
Purchase of property, plant and equipment		(23,910)	(25,695)
Contribution from a Tokumei Kumiai investor		157	737
Redemption of Tokumei Kumiai investors		(496)	(3,338)
Loans advanced		(4,219)	(1,014)
Loans repaid		8,305	4,042
Interest received from loans		721	760
Net decrease in deposits pledged as collateral		2,191	8,586
Income proceeds from investments		2,228	5,896
Settlement of derivative financial instruments		786	2,033
Proceeds from property rental		281	350
Net cash flows (used in)/ generated from investing activities	[B]	(36,169)	4,472

	Note	Full year	
		2014 US\$'000	2013 US\$'000
Cash flows from financing activities			
New borrowings		41,618	26,859
Repayment of borrowings		(14,185)	(32,523)
Interests paid on borrowings		(2,259)	(2,213)
Other finance cost paid		(199)	(165)
Payment of lease obligation		(14)	(8)
Dividend paid		(2,338)	(1,904)
Contribution from non-controlling interests		5	-
Payment to non-controlling interest		(54)	(54)
Net cash flows generated from/ (used in) financing activities	[C]	22,574	(10,008)
Net (decrease)/ increase in cash and cash equivalents		(8,795)	6,606
Movements in cash and cash equivalents:			
Cash and cash equivalents at beginning of the year		47,566	43,266
Net (decrease)/ increase in cash and cash equivalents		(8,795)	6,606
Effects of foreign exchange rate changes, net		(2,450)	(2,306)
Cash and cash equivalents at end of the year		36,321	47,566

NOTES:

- [A] Cash flows generated from operating activities amounted to \$4.8 million for FY2014 compared to \$12.1 million in FY2013. While charter income and incentive fee contributed to FY2014 operating cash flow, lower ad hoc finance arrangement fees coupled with lower asset management fee income from subsidiary, Uni-Asia Capital (Japan) Ltd, resulted in lower operating cash flow for FY2014 compared to FY2013.
- [B] Cash flows used in investing activities were \$36.2 million for FY2014 due to ship and property investments made in FY2014, including the Group's investment in a new commercial office development project at 650 Cheung Sha Wan Road in Hong Kong as well as payment for delivery of wholly owned vessel in July 2014.
- [C] Cash flows generated from financing activities were \$22.6 million in FY2014 due mainly to new borrowings in FY2014 to finance investment acquisitions offset by scheduled borrowings repayments. Dividend for FY2013 approved in AGM was paid in 2Q2014.

1 (d) (i) A statement for the group and the issuer showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital US\$'000	Share premium US\$'000	Retained earnings US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Exchange reserve US\$'000	Capital reserve US\$'000	Total equity attributable to owners of the parent US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
At 1 January 2013	75,167	31,319	26,965	9	1,050	3,936	(126)	138,320	234	138,554
Profit for the year	-	-	5,448	-	-	-	-	5,448	193	5,641
Other comprehensive expense	-	-	-	-	(1,027)	(1,145)	-	(2,172)	(4)	(2,176)
Total comprehensive income/ (expense)	-	-	5,448	-	(1,027)	(1,145)	-	3,276	189	3,465
Capital reserve	-	-	-	(9)	-	-	9	-	-	-
Dividend in respect of 2012	-	-	(1,892)	-	-	-	-	(1,892)	-	(1,892)
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	140	140
Payment to non-controlling interests	-	-	-	-	-	-	-	-	(54)	(54)
At 31 December 2013	75,167	31,319	30,521	-	23	2,791	(117)	139,704	509	140,213
At 1 January 2014	75,167	31,319	30,521	-	23	2,791	(117)	139,704	509	140,213
Profit/ (loss) for the year	-	-	2,150	-	-	-	-	2,150	(42)	2,108
Other comprehensive expense	-	-	-	-	(15)	(2,092)	-	(2,107)	(7)	(2,114)
Total comprehensive income/ (expense)	-	-	2,150	-	(15)	(2,092)	-	43	(49)	(6)
Capital reserve	-	-	-	-	-	-	-	-	592	592
Dividend in respect of 2013	-	-	(2,338)	-	-	-	-	(2,338)	-	(2,338)
Contribution from non-controlling interests	-	-	-	-	-	-	-	-	5	5
Payment to non-controlling interests	-	-	-	-	-	-	-	-	(54)	(54)
At 31 December 2014	75,167	31,319	30,333	-	8	699	(117)	137,409	1,003	138,412

Company	Share capital US\$'000	Share premium US\$'000	Retained earnings US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Exchange reserve US\$'000	Capital reserve US\$'000	Total equity attributable to owners of the parent US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
At 1 January 2013	75,167	31,319	16,133	-	-	-	-	122,619	-	122,619
Loss for the year	-	-	(2,652)	-	-	-	-	(2,652)	-	(2,652)
Other comprehensive expense	-	-	-	-	(30)	-	-	(30)	-	(30)
Total comprehensive expense	-	-	(2,652)	-	(30)	-	-	(2,682)	-	(2,682)
Dividend in respect of 2012	-	-	(1,892)	-	-	-	-	(1,892)	-	(1,892)
At 31 December 2013	75,167	31,319	11,589	-	(30)	-	-	118,045	-	118,045
At 1 January 2014	75,167	31,319	11,589	-	(30)	-	-	118,045	-	118,045
Loss for the year	-	-	(4,684)	-	-	-	-	(4,684)	-	(4,684)
Other comprehensive income	-	-	-	-	14	-	-	14	-	14
Total comprehensive (expense)/ income	-	-	(4,684)	-	14	-	-	(4,670)	-	(4,670)
Dividend in respect of 2013	-	-	(2,338)	-	-	-	-	(2,338)	-	(2,338)
At 31 December 2014	75,167	31,319	4,567	-	(16)	-	-	111,037	-	111,037

- 1 (d) (ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

For the financial year ended 31 December 2014, there was no change in share capital.

The Company did not have any convertibles or treasury shares as at 31 December 2014 and 31 December 2013.

- 1 (d) (iii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 31 December 2014	As at 31 December 2013
Total number of issued shares	469,792,800	469,792,800

- 1 (d) (iv) **A statement showing all sales, transfers, disposal, cancellation and/ or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 2 **Whether the figures have been audited or reviewed and in accordance with which auditing standard of practice.**

The figures have not been audited or reviewed.

- 3 **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has adopted the same accounting policies and method of computation in the financial statements for the current financial year as compared with the audited financial statements for the financial year ended 31 December 2013.

- 5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted the same accounting policies and method of computation in the financial statements for the current financial year as compared with the audited financial statements for the financial year ended 31 December 2013. The adoptions of the other new or revised IFRSs do not have a significant impact on the Group's results of operations and financial position.

- 6 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	4 th Quarter		Full year	
	2014	2013	2014	2013
(Loss)/ profit attributable to owners of the parent (US\$'000)	(853)	(15)	2,150	5,448
Weighted average number of ordinary shares in issue ('000)	469,793	469,793	469,793	469,793
(Loss)/ earnings per share (US cent per share) - basic and diluted	(0.18)	-	0.46	1.16

- 7 **Net asset value for the group per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) **current financial period reported on; and**
(b) **immediately preceding financial year.**

	31 December 2014	31 December 2013
Net asset value per ordinary share based on issued share capital at the end of (in US\$)	0.29	0.30

- 8 **A review of the group performance, to the extent necessary for a reasonable understanding of the group's business. It must include discussion of any significant factors that affected the turnover, costs, and earnings for the current financial period report on, including (where applicable) seasonal or cyclical factors; and any material factors that affected the cash flow, working capital, assets or liabilities of the group during current financial period reported on:**

Review of Income Statement

Total Income

Total income of the Group was \$67.1 million for FY2014, a 9% decline from FY2013. Changes in major components of total income, including charter income, fee income, hotel income and investment returns are explained below.

- (i) Charter Income

Charter income increased 20% from \$16.2 million for FY2013 to \$19.4 million for FY2014 due to an additional ship delivered in late July 2014 contributing to the Group's charter income. The increase is in line with the Group's strategy to build up recurring charter income.

- (ii) Fee Income

Breakdown of Fee Income:	4 th Quarter ("4Q")			Full year ("FY")		
	2014 US\$'000	2013 US\$'000	% Change	2014 US\$'000	2013 US\$'000	% Change
Arrangement and agency fee	649	735	(12%)	2,431	4,499	(46%)
Asset management and administration fee	556	689	(19%)	2,394	2,925	(18%)
Incentive fee	33	572	(94%)	1,469	757	94%
Brokerage commission	107	104	3%	435	588	(26%)
	1,345	2,100	(36%)	6,729	8,769	(23%)

Total fee income decreased by 23% to \$6.7 million in FY2014 from \$8.8 million in FY2013.

Arrangement and agency fee, which are more ad hoc in nature, declined by 46% from \$4.5 million for FY2013 to \$2.4 million for FY2014 due to absence of significant arrangement deals in FY2014, as many ship owners adopted a wait-and-see approach towards ship acquisition in view of the uncertain ship market and global economy.

Asset management and administration fee saw a reduction of 18% for FY2014 compared to FY2013 as the assets under management by the Group's Japan subsidiary, Uni-Asia Capital (Japan) Limited ("UACJ") decreased as many of the funds managed by UACJ reached the end of the management period.

On the other hand, the realisation of the investment under management by UACJ contributed to the Group's incentive fee income. Incentive fee for the Group was \$1.5 million for FY2014 compared to \$0.8 million for FY2013.

(iii) Hotel Income

In FY2014, the Group's hotel income had increased in JPY terms as compared to FY2013 due to increase in tourists into Japan, but due to depreciation of JPY against USD, FY2014 hotel income was \$35.0 million compared to \$38.7 million in FY2013 in USD terms.

(iv) Investment Returns

Breakdown of Investment Returns:	4 th Quarter ("4Q")			Full year ("FY")		
	2014 US\$'000	2013 US\$'000	% Change	2014 US\$'000	2013 US\$'000	% Change
Interest on performance notes						
- shipping	-	241	(100%)	-	241	(100%)
Interest on bond	2	3	(33%)	10	8	25%
Realised gain on investment property	436	-	N/M	1,302	-	N/M
Realised gain on investments						
- shipping	44	44	0%	195	177	10%
- hotel and residential	(1508)	575	N/M	(266)	687	(139%)
- hotel (classified under property, plant and equipment)	-	4,135	(100%)	-	4,135	(100%)
- office property/ small residential property developments	(61)	4,972	(101%)	712	5,291	(87%)
- distressed asset	81	-	N/M	1,287	-	N/M
- listed shares	-	-	N/M	60	93	(35%)
- others	108	-	N/M	(36)	-	N/M
Property rental income	55	88	(38%)	281	350	(20%)
Fair value adjustment on investment properties	1,800	-	N/M	1,284	(527)	N/M
Fair value adjustment on investments						
- shipping	(2,161)	(924)	(134%)	(2,645)	(1,329)	(99%)
- hotel and residential	1,565	(1,053)	N/M	1,704	(693)	N/M
- office property/ small residential property developments	309	(4,985)	106%	32	(3,037)	101%
- distressed asset	-	-	N/M	-	(2)	100%
- listed shares	15	(115)	113%	14	(238)	106%
Net gain on derivative financial instruments	649	70	N/M	738	2,131	(65%)
	1,334	3,051	(56%)	4,672	7,287	(36%)

In FY2014, the Group partially disposed of its Guangzhou office properties, resulting in a booking of \$1.3 million realised gain on investment properties while reversing of \$0.9 million of fair value gain previously recognised for the same properties. Realised receipt of \$1.2 million investment returns from a distressed asset investment was booked in 1Q2014. However, the Group recognised fair value losses mainly from its container ships in the portfolio as a result of the continued depressed container shipping market. Net fair value losses from shipping investment were \$2.6 million for FY2014. Investment returns were positive \$4.7 million for FY2014, a decrease of 36% from FY2013.

Total Operating Expenses

Total operating expenses for the Group declined 3% from \$63.3 million in FY2013 to \$61.5 million in FY2014.

Employee benefits expenses and hotel operating expenses reduced by 13% and 11% respectively in FY2014 compared to FY2013 mainly due to depreciation of JPY against USD as well as reduced average number of hotels under operation in FY2014 compared to FY2013. On the other hand, in line with the increase in vessel fleet, depreciation expense and vessel operating expenses increased by 15% and 14% respectively for FY2014 compared to FY2013.

Operating Profit

The Group posted an operating profit of \$5.6 million for FY2014.

Net Profit After Tax

Finance costs increased by 5% in FY2014 compared to FY2013 due to increase in borrowings to finance delivery of vessel.

The Group posted a net profit of \$2.1 million for FY2014.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, and variance between it and the actual results.

Not applicable. The Group has not provided a forecast.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operated and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In February 2015, the Group took delivery of the 7th vessel under Uni-Asia Shipping Limited ("Uni-Asia Shipping"). The vessel is now time chartered out and would further strengthen the Group's charter income base. Following this delivery, the outstanding vessels under Uni-Asia Shipping to be delivered in the coming 2 years are as follows:

Name of Subsidiary	Type of Vessel	DWT	Expected Delivery	Charter Status
Mable Bulkship S.A.	Bulk carrier	37,000	1Q2015	Charter fixed
Nora Bulkship S.A.	Bulk carrier	37,000	1Q2016	Charter fixed

The charters for the above vessels have been fixed and the vessels can immediately contribute to the Group's charter income upon delivery.

Further, one of the Group's joint investment companies had taken delivery of its vessel in January 2015. The Group is expecting the delivery of the following joint investment vessels in the coming 2 years:

Name of Company	Type of Vessel	DWT	Expected Delivery	Charter Status
Polaris Bulkship S.A.	Bulk carrier	57,000	4Q2015	Charter fixed
Quest Bulkship S.A.	Bulk carrier	37,000	2Q2016	Charter to be fixed

These three joint investment vessels shall be commercially managed by Uni-Asia Shipping on a long term basis so that total fleet of Uni-Asia Shipping shall be expanded to 12.

Meanwhile, the Group is further exploring existing and new business opportunities in shipping, property and hotels to increase the Group's bottomline.

11 Dividend**(a) Current Financial Period Reported On****Any dividend declared for the current financial period reported on?**

Yes.

The Directors are pleased to announce a proposed first and final dividend of S\$0.00625 per share for the financial year ended 31 December 2014. Payment of the said dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

Name of dividend	Proposed first and final ordinary dividend
Dividend type	Cash
Dividend amount per share	S\$0.00625
No. of ordinary shares in issue	469,792,800
Total dividend amount	S\$2,936,205
Tax rate	Cayman Islands tax-exempt dividend

These financial statements do not reflect this proposed final dividend, which will be accounted for in shareholder's equity as an appropriation of retained earnings in the financial year ending 31 December 2015.

(b) Corresponding period of the Immediately Preceding Financial Year**Any dividend declared for the corresponding period of the immediately preceding financial year?**

Yes.

Name of dividend	Proposed first and final ordinary dividend
Dividend type	Cash
Dividend amount per share	S\$0.00625
No. of ordinary shares in issue	469,792,800
Total dividend amount	S\$2,936,205
Tax rate	Cayman Islands tax-exempt dividend

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

12 If no dividend has been declared/ recommended, a statement to that effect.

Not applicable.

- 13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate for IPTs from the Group's shareholders.

- 14 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Business segments

The segment results are as follows:

	Investment and Asset Management of Ships and Properties, Ship Finance Arrangement US\$'000	Ship Owning and Chartering US\$'000	Investment and Asset Management of Properties in Japan US\$'000	Hotel Operations in Japan US\$'000	Eliminations US\$'000	Group US\$'000
<u>Year ended 31 December 2014:</u>						
Total income						
External customers	7,674	20,227	3,336	35,079	-	66,316
Interest income	810	7	1	-	-	818
Inter-segment	1,531	-	644	229	(2,404)	-
	10,015	20,234	3,981	35,308	(2,404)	67,134
Results						
Amortisation and depreciation	(77)	(5,729)	(244)	(53)	6	(6,097)
Impairment of property, plant and equipment	-	(680)	-	-	-	(680)
Finance costs - interest expense	(219)	(1,992)	(176)	(29)	72	(2,344)
Finance costs – others	(13)	(235)	-	(5)	116	(137)
Allocation to Tokumei Kumiai Investors	68	-	50	-	-	118
(Loss)/ profit before tax	(914)	2,299	1,793	143	(72)	3,249
Other segment item is as follows:						
Capital expenditure	2,767	25,588	29	27	-	28,411
<u>Year ended 31 December 2013:</u>						
Total income						
External customers	7,575	18,406	10,448	36,433	-	72,862
Interest income	1,007	7	1	1	-	1,016
Inter-segment	1,259	-	460	1,023	(2,742)	-
	9,841	18,413	10,909	37,457	(2,742)	73,878
Results						
Amortisation and depreciation	(41)	(4,534)	(656)	(58)	6	(5,283)
Impairment of property, plant and equipment	-	(547)	-	-	-	(547)
Finance costs - interest expense	(313)	(1,537)	(355)	(28)	-	(2,233)
Finance costs – others	(18)	(246)	(133)	(5)	126	(276)
Allocation to Tokumei Kumiai Investors	4	-	(2,227)	-	-	(2,223)
(Loss)/ profit before tax	(1,181)	3,615	2,745	613	17	5,809
Other segment item is as follows:						
Capital expenditure	3,881	25,442	25	33	-	29,381

The segment assets and liabilities are as follows:

	Investment and Asset Management of Ships and Properties, Ship Finance Arrangement US\$'000	Ship Owning and Chartering US\$'000	Investment and Asset Management of Properties in Japan US\$'000	Hotel Operations in Japan US\$'000	Eliminations US\$'000	Group US\$'000
As at 31 December 2014:						
Segment assets						
Total assets	155,181	142,584	14,821	9,894	(63,596)	258,884
Segment liabilities						
Total liabilities	26,497	90,694	8,369	6,229	(11,317)	120,472
As at 31 December 2013:						
Segment assets						
Total assets	149,803	115,123	17,389	9,649	(55,817)	236,147
Segment liabilities						
Total liabilities	15,838	71,041	11,822	5,905	(8,672)	95,934

- 15 **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

For review of performance, please refer to item 8.

- 16 **A breakdown of sales as follows:-**

	2014 US\$'000	2013 US\$'000	% Change
Total income reported for first half year	33,063	36,553	(10%)
Profit after tax for first half year	2,708	3,074	(12%)
Total income reported for second half year	34,071	37,325	(9%)
(Loss)/ profit after tax for second half year	(600)	2,567	(123%)

- 17 **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

	31 December 2014 S\$'000	31 December 2013 S\$'000
Ordinary - Proposed first and final Dividend	2,936	2,936

- 18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(13).

BY THE ORDER OF THE BOARD

Michio Tanamoto
Chairman, CEO
25 February 2015