



UNI-ASIA GROUP LIMITED
Company Registration No: 201701284Z
Incorporated in the Republic of Singapore

PRESS RELEASE -- FOR IMMEDIATE RELEASE

Uni-Asia's Reports Net Profit of US\$5.7 million for 9M2017

- **Total income increased by 14% to US\$73.6 million in 9M2017, charter income and hotel income registered 9% and 13% growth respectively compared to the same period last year**
- **Charter income growth supported by recovery in the shipping market and improved charter rates**
- **Two new hotels started operations in Japan under the Group's hotel management business, contributing hotel income**
- **Investment returns surged 297% to US\$5.4 million as the Group realized a US\$2.2 million gain from a small residential property project in Japan**

Singapore, 14 November2017– Uni-Asia Group Limited (“**Uni-Asia**” or the “**Group**”), an alternative investment company and integrated service provider of vessels and properties, announced its financial results for the nine months ended 30 September 2017 (“**9M2017**”).

Financial Highlights	3Q2017 US\$'000	3Q2016 US\$'000	Chg %	9M2017 US\$'000	9M2016 US\$'000	Chg %
Total Income	25,418	22,956	11	73,550	64,481	14
Total Operating Expenses	(22,898)	(22,045)	4	(62,690)	(59,462)	5
Operating Profit	2,520	911	177	10,860	5,019	116
Operating Profit Margin	9.9%	4.0%	5.9ppts	14.8%	7.8%	7.0ppts
Net Profit/ (Loss) After Tax	167	(719)	N/M	5,688	493	N/M
Profit Attributable to Owners of the Parent	33	(777)	N/M	4,846	(542)	N/M
Basic Earnings Per Share (US cents) ¹	0.07	(1.65)	N/M	10.32	(1.15)	N/M

N/M: Not Meaningful
ppts: percentage points

¹Based on the weighted average of 46,979,280 ordinary shares in issue for 9M2017 and 9M2016 respectively

9M2017 FINANCIAL REVIEW

Total income for the Group increased 14% from US\$64.5 million in 9M2016 to US\$73.6 million in 9M2017.

Revenue	3Q2017 US\$'000	3Q2016 US\$'000	Chg %	9M2017 US\$'000	9M2016 US\$'000	Chg %
Charter Income	9,480	8,664	9	27,493	25,223	9
Fee Income	872	1,830	(52)	4,729	5,076	(7)
Hotel Income	13,468	12,411	9	34,488	30,431	13
Investment Returns	1,083	(232)	N/M	5,448	1,371	297
Interest Income	221	177	25	595	546	9
Other Income	294	106	177	797	1,834	(57)
Total Income	25,418	22,956	11	73,550	64,481	14

(i) Charter Income

Charter income increased 9% from US\$25.2 million in 9M2016 to US\$27.5 million in 9M2017. The increase was attributable to (1) better spot charter rates for the Group's portfolio of ships under short-term charter, and (2) charter income from the vessel under Joule Asset Management (Pte.) Limited, which contributed to Group's charter income for all the three quarters in 9M2017, while only contributed charter income from the second quarter for 9M2016.

(ii) Fee Income

Total fee income decreased by 7% to US\$4.7 million in 9M2017 from US\$5.1 million in 9M2016 due to lower asset management & administration fee and incentive fee. On a positive note, arrangement and agency fee grew 20% to US\$2.7 million, and brokerage commission increased too.

(iii) Hotel Income

Hotel Income rose 13% from US\$30.4 million in 9M2016 to US\$34.5 million in 9M2017. Despite average occupancy rates of the hotels were slightly lower, average daily rates continued to be strong. The Group commenced operations of a 232-room hotel and a 143-room hotel from 30 June 2017 and 1 September 2017 respectively. The operating contract for a 141-room hotel ended on 31 July 2017.

(iv) Investment Returns

In 3Q2017, realised gain on investment property of \$2.2 million for a small residential property project helped to offset additional net fair valuation loss of \$1.4 million booked mainly for tanker and containership investments. Investment returns for 3Q2017 was \$1.1 million compared to negative investment returns of \$0.2 million in 3Q2016. Investment returns for 9M2017 was \$5.4 million compared to \$1.4 million in 9M2016.

Total Operating Expenses

The Group's operating expenses increased by 5% from US\$59.5 million in 9M2016 to US\$62.7 million in 9M2017. Employee benefits expense, hotel lease expense and hotel operating expenses

increased as the Group managed more hotel rooms in 9M2017. At the same time, impairment made by the Group in FY2016 resulted in lower depreciation on the Group's assets, while onerous contract provisions made in FY2016 lowered vessel operating expenses for 9M2017.

Net Profit After Tax

With its strong and stable operations, the Group reported a net profit after tax of US\$5.7 million for 9M2017.

Net Asset Value

As of 30 September 2017, the Group had a Net Asset Value ("**NAV**") per share of US\$2.80, compared to US\$2.68 as of 31 December 2016.

OUTLOOK

The Baltic Dry Index has recovered from 961 as at end of 2016 to 1,356 as at end of September 2017. Although charter rates in the market have increased in 2017 compared to one year ago, they were still way below historical higher levels, implying further room for improvement. According to Clarksons Report, 2017's handysize bulkers' deliveries is expected to be around 5.4 million dwt, while the orderbooks for handysize bulkers for 2018 and 2019 are forecasted at 2.6 million dwt and 1.0 million dwt respectively. If the demand in dry bulk market maintains or improves, while other economic factors remain positive, the dry bulk market could see better days ahead. On the other hand, the outlook for tanker and containership markets is not as good as the dry bulk market. Should the containership's charter/resale market stays below historical average level, the Group may need to take further downward fair valuation adjustments for the containership investments in the Group's portfolio.

Meanwhile, the property and hotel markets in which the Group operates remain robust. The construction for the Group's second commercial office property investment in Hong Kong is on schedule. The Group expects to exit and receive proceeds from this investment by mid-2018.

--- The End ---

About Uni-Asia Group Limited. (Bloomberg Code: UAG SP)

Uni-Asia Group Ltd is an alternative investment company performing a variety of roles including asset owner and manager, operator, co-investor, ship finance arranger, broker and fund manager. Uni-Asia's investments are focused on cargo vessels and properties in Hong Kong and Japan. To improve investment returns, Uni-Asia also provides integrated services for the invested assets, including acting as operator for commercial maritime vessels and invested properties which encompasses commercial, residential and hotel properties.

Listed on the Main Board of the Singapore Exchange in August 2007, their offices are located in Hong Kong, Singapore, Tokyo, China, Taiwan, and South Korea.

For more information, please visit the corporate website at www.uni-asia.com

Issued for and on behalf of Uni-Asia Group Limited
By Financial PR Pte Ltd
For more information, please contact:
Romil SINGH / Reyna MEI / Colin LUM
Tel: (65) 6438 2990 / Fax: (65) 6438 0064
E-mail: uni-asia@financialpr.com.sg