



## UNI-ASIA HOLDINGS LIMITED

Registration No: CR-72229

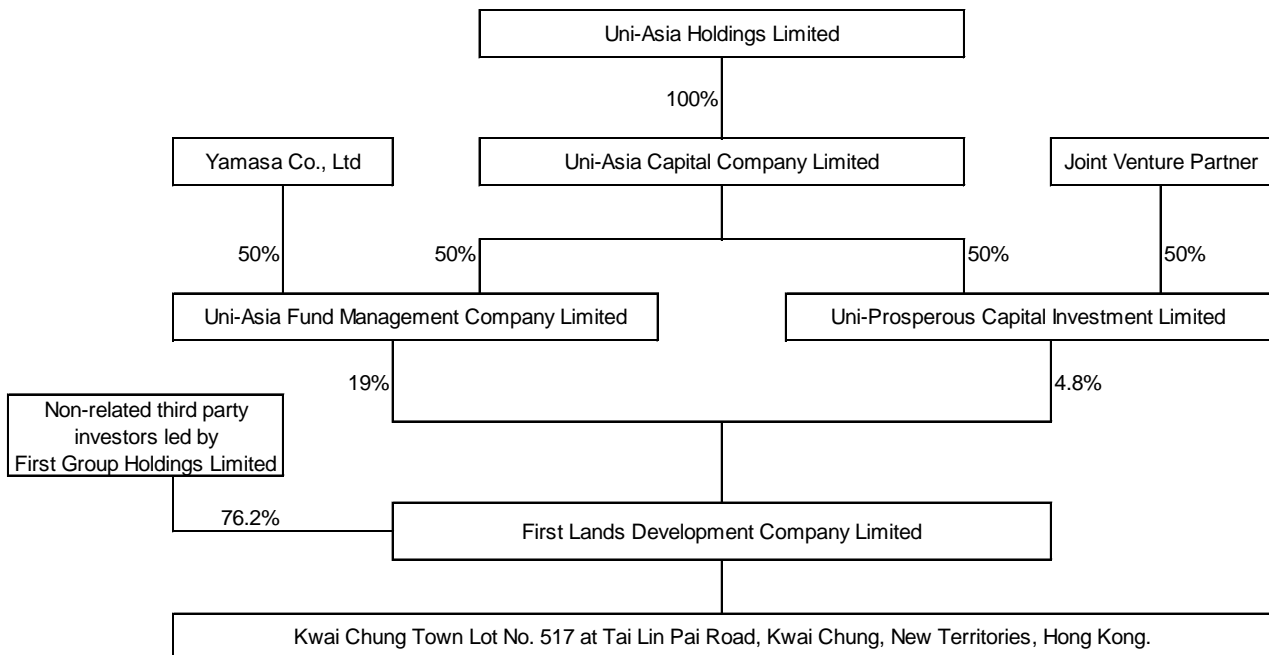
(Incorporated in the Cayman Islands with limited liability on 17 March 1997)

### NEW PROPERTY PROJECT IN HONG KONG

#### 1. INTRODUCTION

1.1 The Board of Directors (the “**Board**”) of Uni-Asia Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) is pleased to announce that the Group, as part of a consortium led by First Group Holdings Limited (the “**Consortium**”), has won a bid to develop a commercial site (the “**Site**”) in Hong Kong.

1.2 The developer for the Site is First Lands Development Company Limited (the “**Project Company**”), a company wholly-owned by the Consortium. In connection with the Group’s participation in the Consortium, the Group had acquired an aggregate effective equity interest of approximately 11.9% in the Project Company. Such equity interest is held indirectly through Uni-Asia Fund Management Company Limited (“**UAFM**”) (in which Yamasa Co., Ltd (“**Yamasa**”), a controlling shareholder of the Company, had invested as a joint venture partner) and Uni-Prosperous Capital Investment Limited (“**Uni-Prosperous**”), as further described below. An overview of the structure is as follows:



## 2. DEVELOPMENT

The Site is located in Kwai Chung Town Lot No. 517 at Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong. The Site comprises a site area of about 1,207.8 square metres and is designated for non-industrial (excluding residential, godown and petrol filling station) purposes. The minimum and maximum gross floor areas are 6,885 square metres and 11,474 square metres, respectively.

## 3. UNI-ASIA FUND MANGEMENT COMPANY LIMITED

- 3.1 **Uni-Asia Fund Management Company Limited.** Pursuant to the terms of the Consortium, UAFM had acquired approximately 19.0% of the shareholding interests of the Project Company.

Prior to the Group's participation in the Consortium, UAFM was a dormant wholly-owned direct subsidiary of the Company incorporated in Hong Kong. It had an issued and paid up share capital of HK\$20.00 comprising two ordinary shares of HK\$10.00 each. In connection with the Group's participation in the Consortium, the Group undertook an internal reorganisation involving the transfer of the entire issued share capital of UAFM from the Company to Uni-Asia Capital Company Limited (a wholly-owned direct subsidiary of the Company incorporated in Hong Kong) ("**UAC HK**").

- 3.2 **Joint Investment.** Pursuant to a joint-investment agreement entered into between UAC HK and Yamasa on 22 July 2016 (the "**Yamasa Joint Investment Agreement**"), Yamasa and UAC HK had subscribed for new ordinary shares of HK\$10.00 each in the capital of UAFM ("**New UAFM Shares**"), resulting in UAC HK and Yamasa each holding 400 ordinary shares of HK\$10.00 each in the capital of UAFM or 50.0% of the issued share capital of UAFM.

The aggregate consideration for the New UAFM Shares of approximately HK\$8,000 (approximately US\$1,030 based on an exchange rate of US\$1.00:HK\$7.76) will be paid by UAC HK and Yamasa (in proportion to the number of New UAFM Shares subscribed for by UAC HK and Yamasa respectively) in cash in full by the end of July 2016, and in the case of UAC HK, will be funded by internal resources. The consideration was arrived at after taking into account the capital expenditure requirements of the Project Company for the development of the Site (to be funded in part by the UAFM Shareholders' Loan (as defined in Paragraph 3.3 below) and the shareholding interests of UAFM in the Project Company. As at 31 March 2016, the book value and net tangible asset value of UAFM was HK\$20.00 (being the issued and paid up capital of UAFM).

As a result of the foregoing, UAFM had ceased to be a subsidiary and became an associated company of the Company.

The Yamasa Joint Investment Agreement was agreed on commercial terms which are in line with the Company's other joint venture agreements. The Company has worked with Yamasa on several structured finance agreement deals and so far Yamasa has been able

to discharge its financial obligations, which is an important factor for the Company in selecting joint venture partners.

- 3.3 **Shareholders' Loans.** Pursuant to the Yamasa Joint Investment Agreement, UAC HK and Yamasa will also provide a shareholders' loan of an aggregate amount of HK\$80.0 million to UAFM (the "**UAFM Shareholders' Loan**") in proportion to their equity in UAFM and on the same terms and conditions. UAC HK's proportionate share of the UAFM Shareholders' Loan is HK\$40.0 million (the "**Proportionate Loan**"). The Proportionate Loan will in turn be funded by a shareholder's loan from Yamasa to the Company of HK\$40.0 million (the "**Yamasa Loan**").

Each of the UAFM Shareholders' Loan and the Yamasa is a loan with tenure of the shorter of (i) five years; or (ii) the period ending upon the disposal of the Site following completion of development, and bears a fixed interest rate of 1.5% per annum. The tenure for the loans was determined after taking into account the anticipated completion date for the development of the Site while the interest rate for the loans was determined on an arm's length basis after taking into account current market conditions.

For the purpose of Chapter 9 of the Listing Manual (as defined in Paragraph 3.4 below), the value of the Proportionate Loan (comprising the principal and interest payable by UAFM to UAC HK will be approximately HK\$43.0 million (approximately US\$5.5 million based on an exchange rate of US\$1.00:HK\$7.76 and assuming the tenure of the loan is five years), representing approximately 4.0% of the latest audited net tangible assets of the Group as at 31 December 2015.

For the purpose of Chapter 9 of the Listing Manual, the value of the Yamasa Loan (comprising the interest payable by the Company to Yamasa) will be approximately HK\$3.0 million (approximately US\$0.4 million based on an exchange rate of US\$1.00:HK\$7.76 and assuming the tenure of the loan is five years), representing approximately 0.3% of the latest audited net tangible assets of the Group as at 31 December 2015.

The UAFM Shareholders' Loan and the Yamasa Loan are for funding UAFM's proportionate contribution to the capital expenditure requirements of the Project Company for the development of the Site. As a shareholder of UAFM, UAC HK and the Company will in turn benefit from UAFM's participation in the development of the Site as a shareholder of the Project Company. The interest rate for the Proportionate Loan and the Yamasa Loan was determined on an arm's length basis after taking into account current market conditions. The process of obtaining such loans is also shorter and more cost-effective as compared to raising money from the capital markets.

- 3.4 **Chapter 9 of the Listing Manual.** Yamasa has a deemed shareholding interest of 33.46% in the Company and would be regarded as an "interested person" of the Company in accordance with Chapter 9 of the Singapore Exchange Securities Trading Limited Listing Manual (the "**Listing Manual**"). Any transaction entered into by the Company or UAC HK, being a subsidiary of the Company, with Yamasa would be deemed to be an interested person transaction in accordance with Chapter 9 of the Listing Manual. In addition, any

transaction entered into by UAC HK with UAFM, being a 50% owned associate of Yamasa, would also be deemed to be an interested person transaction in accordance with Chapter 9 of the Listing Manual. Accordingly, the investment by the Company in UAFM pursuant to the Yamasa Joint Investment Agreement, the Proportionate Loan and the Yamasa Loan would constitute “interested person transactions” for purposes of the Listing Manual.

Pursuant to Rule 916(2) of the Listing Manual, an investment in a joint venture with an interested person is not required to comply with Rule 906 of the Listing Manual (relating to shareholders’ approval) if:

- (a) the risks and rewards are in proportion to the equity of each joint venture partner;
- (b) the issuer confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and
- (c) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture.

Pursuant to Rule 916(3) of the Listing Manual, the provision of a loan to a joint venture with an interested person is not required to comply with Rule 906 of the Listing Manual (relating to shareholders’ approval) if:

- (a) the loan is extended by all joint venture partners in proportion to their equity and on the same terms;
- (b) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture; and
- (c) the issuer confirms by an announcement that its audit committee is of the view that:
  - (i) the provision of the loan is not prejudicial to the interests of the issuer and its minority shareholders; and
  - (ii) the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders.

In this regard, the Audit Committee of the Company is of the view that (i) the risks and rewards of the joint venture with Yamasa are in proportion to the equity of the Company and Yamasa in UAFM and the terms of the Yamasa Joint Investment Agreement are not prejudicial to the interests of the Company and its minority shareholders; and (ii) the provision of the Proportionate Loan is not prejudicial to the interests of the Company and its minority shareholders.

In view of the foregoing, the joint venture with Yamasa in respect of UAFM and the Proportionate Loan would not be required to comply with Rule 906 of the Listing Manual (relating to shareholders' approval).

Other than transactions of less than S\$100,000 in value (including the investment by the Company in UAFM pursuant to the Yamasa Joint Investment Agreement) and mandated transactions entered into pursuant to the general mandate for interested person transactions pursuant to Chapter 9 of the Listing Manual which was adopted at the Company's annual general meeting on 29 April 2016, the following table sets out the current total of (i) the Proportionate Loan, (ii) the Yamasa Loan and (iii) all other transactions for the current financial year ending 31 December 2016 with Yamasa as at the date of this announcement:

<b>Nature</b>	<b>Value (US\$'million)</b>
Proportionate Loan	5.5
Yamasa Loan	0.4
Shareholders' loans to joint investment companies where Yamasa holds a majority stake	1.3
<b>Total</b>	<b>7.2</b>

The Company does not have any other transaction with other interested persons besides Yamasa for the current financial year ending 31 December 2016.

#### **4. UNI-PROSPEROUS CAPITAL INVESTMENT LIMITED**

- 4.1 **Uni-Prosperous Capital Investment Limited.** Pursuant to the terms of the Consortium, Uni-Prosperous had acquired approximately 4.8% of the shareholding interests of the Project Company.

Prior to the Group's participation in the Consortium, Uni-Prosperous was a wholly-owned indirect subsidiary of the Company (held through UAC HK) incorporated in Hong Kong. It had an issued and paid up share capital of HK\$10,000 comprising 10,000 ordinary shares of HK\$1.00 each. Further details on Uni-Prosperous are set out in the announcement dated 2 December 2015.

- 4.2 **Joint Investment.** Pursuant to a joint-investment agreement entered into between UAC HK and an unrelated third party (the "**Joint Venture Partner**") on 22 July 2016, the Joint Venture Partner had subscribed for 10,000 new ordinary shares of HK\$1.00 each in the capital of Uni-Prosperous ("**New Uni-Prosperous Shares**"), resulting in UAC HK and the Joint Venture Partner each holding 10,000 ordinary shares of HK\$1.00 each in the capital of Uni-Prosperous or 50.0% of the issued share capital of Uni-Prosperous.

The aggregate consideration for the New Uni-Prosperous Shares of HK\$10,000 (approximately US\$1,289 based on an exchange rate of US\$1.00:HK\$7.76) will be paid by the Joint Venture Partner in cash in full by the end of July 2016. The consideration was arrived at after taking into account the capital expenditure requirements of the Project Company for the development of the Site (to be funded in part by a shareholders' loan to

be extended by UAC HK and the Joint Venture Partner to Uni-Prosperous) and the shareholding interests of Uni-Prosperous in the Project Company. As at 31 March 2016, the book value and net tangible asset value of Uni-Prosperous was HK\$50.00.

As a result of the foregoing, Uni-Prosperous had ceased to be a subsidiary and became an associated company of the Company.

**5. CHAPTER 10 OF THE LISTING MANUAL**

The above transactions (other than the UAFM Shareholders' Loan and the Yamasa Loan) are in the ordinary course of the Company's business. In view of the foregoing, each of the above transactions (other than the UAFM Shareholders' Loan and the Yamasa Loan) would not constitute a "transaction" for the purposes of Chapter 10 of the Listing Manual.

**6. FINANCIAL EFFECTS**

The above transactions are not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of the Company for the current financial year.

**7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Save as disclosed above, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transactions.

For and on behalf of  
Uni-Asia Holdings Limited  
25 July 2016