



UNI-ASIA HOLDINGS LIMITED

Registration No: CR - 72229

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

FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2016

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF SECOND QUARTERLY 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	2 nd Quarter			Half year ended 30 June		
		2016 US\$'000	2015 US\$'000	% Change	2016 US\$'000	2015 US\$'000	% Change
Charter Income	8(i)	8,257	7,838	5%	16,559	13,859	19%
Fee income	8(ii)	1,433	1,393	3%	3,246	3,790	(14%)
Hotel income	8(iii)	9,613	7,788	23%	18,020	15,493	16%
Investment returns	8(iv)	3,061	4,479	(32%)	1,603	4,269	(62%)
Interest income		168	118	42%	369	270	37%
Other income		88	164	(46%)	1,728	341	N/M
Total income		22,620	21,780	4%	41,525	38,022	9%
Employee benefits expenses		(3,667)	(3,054)	20%	(6,945)	(6,078)	14%
Amortisation and depreciation		(2,855)	(2,338)	22%	(5,403)	(4,288)	26%
Vessel operating expenses		(3,945)	(3,618)	9%	(8,515)	(6,053)	41%
Hotel lease expenses		(3,177)	(2,501)	27%	(6,169)	(5,221)	18%
Hotel operating expenses		(4,107)	(3,239)	27%	(7,607)	(6,492)	17%
Other expenses		(1,152)	(1,349)	(15%)	(2,137)	(2,647)	(19%)
Net foreign exchange (loss)/ gain		(458)	21	N/M	(641)	(478)	34%
Total operating expenses		(19,361)	(16,078)	20%	(37,417)	(31,257)	20%
Operating profit		3,259	5,702	(43%)	4,108	6,765	(39%)
Finance costs – interest expense		(1,255)	(954)	32%	(2,410)	(1,679)	44%
Finance costs – others		(64)	(72)	(11%)	(185)	(119)	55%
Allocation to Tokumei Kumiai* investors		47	(752)	106%	94	(748)	113%
Profit before tax		1,987	3,924	(49%)	1,607	4,219	(62%)
Income tax expense		(159)	(40)	N/M	(395)	(50)	N/M
Profit for the period		1,828	3,884	(53%)	1,212	4,169	(71%)
Attributable to:							
Owners of the parent		960	3,794	(75%)	235	3,995	(94%)
Non-controlling interests		868	90	N/M	977	174	N/M
		1,828	3,884	(53%)	1,212	4,169	(71%)

* 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.

	2 nd Quarter			Half year ended 30 June		
	2016 US\$'000	2015 US\$'000	% Change	2016 US\$'000	2015 US\$'000	% Change
Profit for the period	1,828	3,884	(53%)	1,212	4,169	(71%)
Other comprehensive income/ (expense) for the period, net of tax:						
Items that may be reclassified subsequently to profit or loss:						
Exchange differences on translation of foreign operations	1,637	(259)	N/M	2,798	140	N/M
Net movement on cash flow hedges	(59)	101	(158%)	(166)	(87)	90%
Other comprehensive income/ (expense) for the period, net of tax	1,578	(158)	N/M	2,632	53	N/M
Total comprehensive income for the period	3,406	3,726	(9%)	3,844	4,222	(9%)
Attributable to:						
Owners of the parent	2,558	3,637	(30%)	2,883	4,049	(29%)
Non-controlling interests	848	89	N/M	961	173	N/M
	3,406	3,726	(9%)	3,844	4,222	(9%)

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	
	30 June 2016 US\$'000	31 December 2015 US\$'000	30 June 2016 US\$'000	31 December 2015 US\$'000
ASSETS				
Non-current assets				
Investment properties	16,521	8,565	-	-
Intangible assets	68	69	-	-
Property, plant and equipment	210,623	171,715	332	408
Loans receivable	2,147	5,050	2,050	2,050
Loans to subsidiaries	-	-	9,768	8,186
Investments	50,624	46,946	21,085	24,190
Investments in subsidiaries	-	-	65,888	65,555
Rental deposit	3,155	2,445	-	-
Finance lease receivable	8,968	7,812	-	-
Derivative financial instruments	-	117	1,016	531
Deferred tax assets	30	33	-	-
Deposits for purchase of vessels	-	6,846	-	-
Total non-current assets	292,136	249,598	100,139	100,920
Current assets				
Investments	21	27	-	-
Loans receivable	1,250	200	1,250	200
Loans to subsidiaries	-	-	19,591	12,207
Derivative financial instruments	-	-	465	440
Finance lease receivable	367	279	-	-
Accounts receivable	4,037	3,811	338	65
Amounts due from subsidiaries	-	-	336	1,691
Prepayments, deposits and other receivables	6,241	5,488	730	523
Tax recoverable	446	379	-	-
Assets held for sale	-	18,028	-	-
Deposits pledged as collateral	7,608	6,008	5,651	4,006
Cash and bank balances	28,991	30,334	2,638	8,051
Total current assets	48,961	64,554	30,999	27,183
Total assets	341,097	314,152	131,138	128,103

	Group		Company	
	30 June 2016 US\$'000	31 December 2015 US\$'000	30 June 2016 US\$'000	31 December 2015 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	28,861	30,811	322	4,789
Hedging reserve	(157)	(14)	-	(1)
Exchange reserve	3,666	875	-	-
Share based compensation reserve	130	32	130	32
Capital reserve	(117)	(117)	-	-
Total equity attributable to owners of the parent	138,869	138,073	106,938	111,306
Non-controlling interests	3,062	2,101	-	-
Total equity	141,931	140,174	106,938	111,306
LIABILITIES				
Non-current liabilities				
Borrowings	141,872	109,842	2,743	1,966
Due to Tokumei Kumiai investors	-	603	-	-
Deferred tax liabilities	1,207	1,236	-	-
Derivative financial instruments	1,016	414	1,016	531
Other payables	94	80	-	-
Total non-current liabilities	144,189	112,175	3,759	2,497
Current liabilities				
Borrowings	45,187	54,524	16,399	12,485
Due to Tokumei Kumiai investors	172	-	-	-
Accounts payable	2,929	2,784	-	5
Amounts due to subsidiaries	-	-	2,652	628
Other payables and accruals	4,061	3,657	498	741
Derivative financial instruments	2,127	484	892	441
Income tax payable	501	354	-	-
Total current liabilities	54,977	61,803	20,441	14,300
Total liabilities	199,166	173,978	24,200	16,797
Total equity and liabilities	341,097	314,152	131,138	128,103

NOTES:

The Group's non-current assets increased by 17.0% from \$249.6 million on 31 December 2015 to \$292.1 million on 30 June 2016. Investment Properties increased by \$8.0 million from \$8.6 million to \$16.5 million due mainly to increase in investments. Property, Plant and Equipment increased by \$38.9 million from \$171.7 million to \$210.6 million due to the (i) delivery of one vessel under Uni-Asia Shipping Limited ("Uni-Asia Shipping") group in 1Q2016, and (ii) the consolidation of the vessel under Joule Asset Management (Pte.) Limited ("Joule") following the acquisition of the remaining 50% shareholding interest in Joule on 31 March 2016 (see announcement dated 1 April 2016). On the other hand, with the delivery of the vessel under Uni-Asia Shipping group, the remaining Deposits for Purchase of Vessels were transferred to Property, Plant and Equipment, resulting in decline in Deposits for Purchase of Vessels from \$6.8 million to nil. Investments increased from \$46.9 million to \$50.6 million due mainly to fair valuation adjustments on property investments.

Current assets decreased from \$64.6 million on 31 December 2015 to \$49.0 million on 30 June 2016 due mainly to completion of transactions for “Assets held for sale”.

Total liabilities increased to \$199.2 million on 30 June 2016 from \$174.0 million on 31 December 2015 due mainly to increase in borrowings for property and ship related investments. Total liabilities on derivative financial instruments increased to \$3.1 million (current: \$2.1 million; non-current: \$1.0 million) due to losses on interest rate swaps and foreign exchange forward contracts.

While current liabilities had decreased 11.0% from \$61.8 million on 31 December 2015 to \$55.0 million on 30 June 2016, current assets decreased 24.2% due to usage of cash for purchase of non-current assets. As a result, there is a negative working capital of \$6.0 million.

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

	As at 30 June 2016		As at 31 December 2015	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	23,125	22,062	35,143	19,381
Amount repayable after one year	136,176	5,696	104,905	4,937
Total	159,301	27,758	140,048	24,318

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 the 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	Half year ended 30 June	
		2016 US\$'000	2015 US\$'000
Cash flows from operating activities			
Profit before tax		1,607	4,219
Adjustments for:			
Investment returns		(1,603)	(4,269)
Amortisation and depreciation		5,403	4,288
Realisation of negative goodwill arising on acquisition of a subsidiary		(1,538)	-
Gain on disposal of property, plant and equipment		(1)	-
Reversal of provision for accounts receivable		(103)	(42)
Share based compensation		98	-
Net foreign exchange loss		641	478
Interest income		(369)	(270)
Finance costs – interest expense		2,410	1,679
Finance costs – others		185	119
Allocation to Tokumei Kumiai investors		(94)	748
Operating cash flows before changes in working capital		6,636	6,950
Changes in working capital:			
Net change in accounts receivable		200	(699)
Net change in prepayments, deposits and other receivables		(307)	(2,612)
Net change in accounts payable		(19)	(45)
Net change in other payables and accruals		(590)	(1,564)
Cash flows generated from operations		5,920	2,030
Interest received on bank balances		28	69
Tax (paid)/ reimbursed		(308)	294
Net cash flows generated from operating activities	[A]	5,640	2,393
Cash flows from investing activities			
Purchase of investment properties		(7,747)	(6,733)
Purchase of investments		(6,206)	(1,136)
Proceeds from sale of investment properties		2,238	9,321
Proceeds from redemption/ sale of investments		5,385	4,315
Net cash inflow on acquisition of an investment		1	-
Deconsolidation of consolidated entities		(1,016)	-
Investment in finance lease		148	-
Hotel lease deposit		(175)	-
Deposits for a small residential project		(88)	-
Deposits refunded for purchase of vessels		6,846	3,991
Purchase of property, plant and equipment		(25,210)	(85,343)
Proceeds from disposal of property, plant and equipment		15,840	-
Contribution from a Tokumei Kumiai investor		202	-
Redemption of Tokumei Kumiai investors		(560)	(750)
Loans advanced		(5,488)	-
Loans repaid		3,000	1,732
Interest received from loans		322	219
Net (increase)/ decrease in deposits pledged as collateral		(1,646)	14
Proceeds from investments		215	1,557

	Note	Half year ended 30 June	
		2016 US\$'000	2015 US\$'000
Settlement of derivative financial instruments		(113)	270
Proceeds from property rental		-	122
Net cash flows used in investing activities	[B]	(14,052)	(72,421)
Cash flows from financing activities			
New borrowings		32,091	87,243
Repayment of borrowings		(23,668)	(14,745)
Interest paid on borrowings		(2,272)	(1,500)
Other finance cost paid		(311)	(327)
Dividend paid		(2,185)	(2,218)
Payment to non-controlling interest		-	(31)
Net cash flows generated from financing activities	[C]	3,655	68,422
Net decrease in cash and cash equivalents		(4,757)	(1,606)
Movements in cash and cash equivalents:			
Cash and cash equivalents at beginning of the period		30,334	36,321
Net decrease in cash and cash equivalents		(4,757)	(1,606)
Effects of foreign exchange rate changes, net		3,414	(673)
Cash and cash equivalents at end of the period		28,991	34,042

NOTES:

The Group's cash and cash equivalents decreased by \$4.8 million in 1H2016 due mainly to the followings:

- [A] Cash flows generated from operating activities amounted to \$5.6 million for 1H2016 compared to \$2.4 million in 1H2015. This is mainly due to increase in ships generating charter income which contributed to increase in operating cash flow.
- [B] Cash flows used in investing activities were \$14.1 million for 1H2016 due mainly to payment for delivery and acquisition of vessels as well as investments in small residential property projects (under Purchase of Investment Properties and Purchase of Investments). Payment for investments were partially offset by proceeds from investments.
- [C] Cash flows generated from financing activities were \$3.7 million in 1H2016 due mainly to new borrowings in 1H2016 to finance investment acquisitions offset by scheduled borrowings repayments. Dividend for FY2015 approved in AGM was paid in 2Q2016.

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	Hedging reserve US\$'000	Exchange reserve US\$'000	Share based compensation 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 2015	75,167	31,319	30,333	8	699	-	(117)	137,409	1,003	138,412
Profit for the period	-	-	3,995	-	-	-	-	3,995	174	4,169
Other comprehensive (expense)/ income	-	-	-	(87)	141	-	-	54	(1)	53
Total comprehensive income/ (expense)	-	-	3,995	(87)	141	-	-	4,049	173	4,222
Dividend in respect of 2014	-	-	(2,218)	-	-	-	-	(2,218)	-	(2,218)
Capital reserve	-	-	-	-	-	-	-	-	310	310
Payment to non-controlling interest	-	-	-	-	-	-	-	-	(31)	(31)
At 30 June 2015	75,167	31,319	32,110	(79)	840	-	(117)	139,240	1,455	140,695
At 1 January 2016	75,167	31,319	30,811	(14)	875	32	(117)	138,073	2,101	140,174
Profit for the period	-	-	235	-	-	-	-	235	977	1,212
Other comprehensive (expense)/ income	-	-	-	(143)	2,791	-	-	2,648	(16)	2,632
Total comprehensive income/ (expense)	-	-	235	(143)	2,791	-	-	2,883	961	3,844
Dividend in respect of 2015	-	-	(2,185)	-	-	-	-	(2,185)	-	(2,185)
Accrual of share based compensation	-	-	-	-	-	98	-	98	-	98
At 30 June 2016	75,167	31,319	28,861	(157)	3,666	130	(117)	138,869	3,062	141,931

Company	Share capital US\$'000	Share premium US\$'000	Retained earnings US\$'000	Hedging reserve US\$'000	Share based compensation reserve US\$'000	Total equity US\$'000
At 1 January 2015	75,167	31,319	4,567	(16)	-	111,037
Loss for the period	-	-	(11)	-	-	(11)
Other comprehensive income	-	-	-	-	7	7
Total comprehensive (expense)/ income	-	-	(11)	-	7	(4)
Dividend in respect of 2014	-	-	(2,218)	-	-	(2,218)
At 30 June 2015	75,167	31,319	2,338	(9)	-	108,815
At 1 January 2016	75,167	31,319	4,789	(1)	32	111,306
Loss for the period	-	-	(2,282)	-	-	(2,282)
Other comprehensive income	-	-	-	-	1	1
Total comprehensive (expense)/ income	-	-	(2,282)	-	1	(2,281)
Dividend in respect of 2015	-	-	(2,185)	-	-	(2,185)
Accrual of share based compensation	-	-	-	-	98	98
At 30 June 2016	75,167	31,319	322	-	130	106,938

- 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.**

During the period ended 30 June 2016, there was no change in share capital.

The Company did not have any convertibles or treasury shares as at 30 June 2016, 31 December 2015 and 30 June 2015.

- 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 30 June 2016	As at 31 December 2015
Total number of issued shares	46,979,280	46,979,280

- 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 or 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 method 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 period as compared with the audited financial statements for the financial year ended 31 December 2015.

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

There are no significant changes to the accounting policies and method of computation in the financial statements for the current financial period as compared with the audited financial statements for the financial year ended 31 December 2015. The adoptions of the new or revised IFRSs that are effective for the annual period beginning 1 January 2016 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.**

	2 nd Quarter		Half year ended 30 June	
	2016	2015	2016	2015
Profit attributable to owners of the parent (US\$'000)	960	3,794	235	3,995
Weighted average number of ordinary shares in issue ('000)	46,979	46,979	46,979	46,979
Earnings per share (US cents per share) - basic and diluted	2.04	8.08	0.50	8.50

- 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.**

	30 June 2016	31 December 2015
Net asset value per ordinary share based on issued share capital at the end of (in US\$)	3.02	2.98

- 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 \$41.5 million for 1H2016, a 9% increase from 1H2015. 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 by 19% from \$13.9 million in 1H2015 to \$16.6 million in 1H2016. In 1H2015, 8 vessels under the Group's ship owning subsidiary, Uni-Asia Shipping contributed to charter income. The delivery of 1 vessel in January 2016 increased the fleet size of Uni-Asia Shipping to 9, thereby increasing the charter income for 1H2016. Further, a dry bulk carrier acquired by the Group in end March 2016 also contributed to the increase in 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:	2 nd Quarter			Half year ended 30 June		
	2016 US\$'000	2015 US\$'000	% Change	2016 US\$'000	2015 US\$'000	% Change
Asset management & administration fee	570	696	(18%)	1,186	1,272	(7%)
Arrangement and agency fee	700	507	38%	1,597	1,976	(19%)
Brokerage commission	87	98	(11%)	199	448	(56%)
Incentive fee	76	92	(17%)	264	94	181%
	1,433	1,393	3%	3,246	3,790	(14%)

Total fee income decreased by 14% to \$3.2 million in 1H2016 from \$3.8 million in 1H2015, although the fee income level for 2Q2016 is comparable to 2Q2015.

In 1H2015, there were more ad hoc arrangement and brokerage transactions resulting in more arrangement and agency fee as well as brokerage commission fee recorded in 1H2015 compared to 1H2016.

(iii) Hotel Income

Hotel Income increased by 16% from \$15.5 million in 1H2015 to \$18.0 million in 1H2016 due mainly to improvement in average daily rates of the hotels as occupancy rates continue to be strong, as well as a new hotel under operations from 2Q2016.

(iv) Investment Returns

Breakdown of Investment Returns:	2 nd Quarter			Half year ended 30 June		
	2016 US\$'000	2015 US\$'000	% Change	2016 US\$'000	2015 US\$'000	% Change
Interest on bond	-	-	N/M	-	2	(100%)
Realised gain on investment property	5	1,882	(100%)	410	3,367	(88%)
Realised gain on investments						
- shipping	66	104	(37%)	92	183	(50%)
- hotel and residential	-	752	(100%)	-	762	(100%)
- small residential property developments	844	-	N/M	844	525	61%
- distressed debt	122	448	(73%)	122	845	(86%)
- listed shares	-	478	(100%)	-	478	(100%)
Property rental income	-	53	(100%)	-	122	(100%)
Fair value adjustment on investment property	(5)	-	N/M	(372)	(1,338)	72%
Fair value adjustment on investments						
- shipping	(1,333)	(665)	(100%)	(3,320)	(1,410)	(135%)
- commercial office building	2,708	-	N/M	2,708	-	N/M
- hotel and residential	(3)	1,422	(100%)	18	1,422	(99%)
- small residential property developments	2,220	391	N/M	3,390	(153)	N/M
- listed shares	(1)	(473)	100%	(9)	(389)	98%
Net (loss)/ gain on derivative financial instruments	(1,562)	87	N/M	(2,280)	(147)	N/M
	3,061	4,479	(32%)	1,603	4,269	(62%)

Investment returns for 1H2016 was \$1.6 million, with \$3.1 million investment returns for 2Q2016. Fair value losses of \$1.3 million were recognised for shipping investments in 2Q2016 due to the continued weak shipping market. Losses from interest rate swaps and foreign exchange derivatives were \$1.6 million for 2Q2016. These losses were offset by fair valuation gains of \$2.7 million from the 2nd Hong Kong property project and \$2.2 million from small residential property development projects.

Total Operating Expenses

Total operating expenses for the Group increased 20% from \$31.3 million in 1H2015 to \$37.4 million in 1H2016. Main increase contributors were Amortisation and Depreciation, and Vessel Operating Expenses due to new vessels delivered/acquired.

Operating Profit

The Group posted an operating profit of \$4.1 million for 1H2016, a 39% decrease from 1H2015.

Net Profit After Tax

Finance costs increased by 44% in 1H2016 compared to 1H2015 due to increased borrowings to finance new investments.

The Group posted a net profit of \$1.2 million for 1H2016 compared to a net profit of \$4.2 million for 1H2015.

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 operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The current uncertainties in global economy presented many challenges to various business sectors, especially to the shipping sector. In addition, the oversupply of vessels could prolong the depression in the shipping market. Uni-Asia's core resilience lies in its diversified business model, which allows it to explore various opportunities in different sectors and helps stabilize the overall performance of the Group. In this regard, barring any unforeseen circumstances, the Group's investments in property and its hotel operating business are expected to mitigate the negative impact of the shipping market conditions on the Group's performance.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared/ recommended by the Directors for the second quarter ended 30 June 2016.

- 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.**

Pursuant to Rule 907 of the SGX-ST Listing Manual and the new IPT General Mandate procured from the shareholders of the Company on 29 April 2016, the following interested person transactions had been entered into during 2Q2016:

Name of Interested Person	Aggregate value of all interested person transactions conducted under the Shareholders' Mandate (excluding transactions less than S\$100,000) pursuant to Rule 920 US\$'000
Yamasa Co., Ltd (and its associates)	114

- 14 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company confirms that the undertakings under Rule 720(1) of the Listing Manual have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

BY THE ORDER OF THE BOARD

Michio Tanamoto
Chairman and CEO
12 August 2016

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the second quarter ended 30 June 2016 to be false or misleading in any material aspect.

On behalf of the Board of Directors



Michio Tanamoto
Chairman and CEO

Date: 12 August 2016



Masaki Fukumori
COO