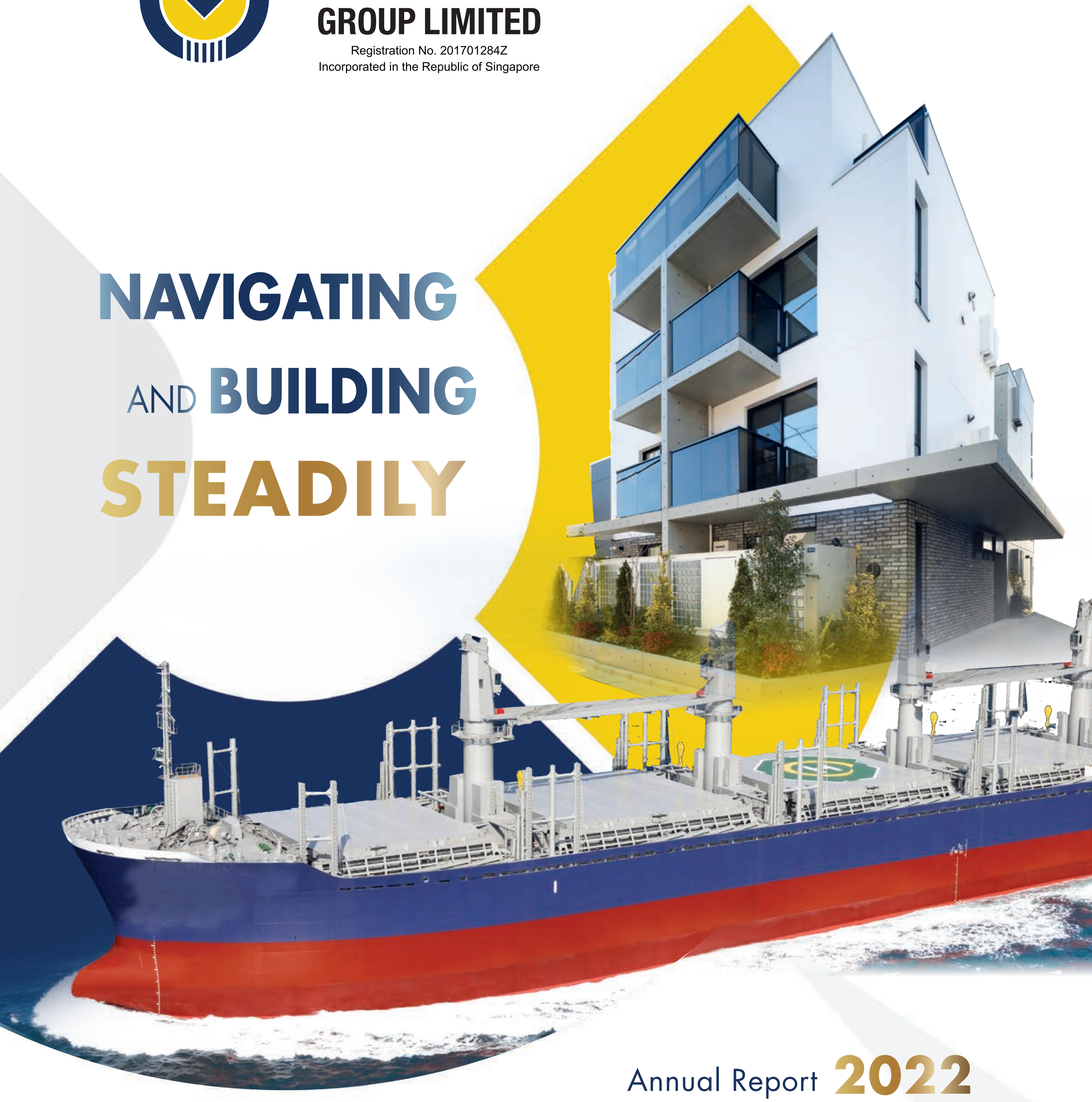
UNI-ASIA
GROUP LIMITED

Registration No. 201701284Z
Incorporated in the Republic of Singapore

NAVIGATING AND BUILDING STEADILY



Annual Report 2022

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MISSION STATEMENT

We aim to be a truly trusted partner for our clients as ***A PRODUCER OF ALTERNATIVE INVESTMENT OPPORTUNITIES*** and ***AN INTEGRATED SERVICE PROVIDER RELATING TO ALTERNATIVE INVESTMENTS*** so as to deliver value to the Group's shareholders, clients and employees. To achieve this vision, we strive to improve the quality of our services to our clients, develop innovative new products to expand our clients' base for further growth, and strengthen our investment portfolio so as to generate recurring returns.

A PRODUCER OF ALTERNATIVE INVESTMENT OPPORTUNITIES

We produce and offer alternative investment opportunities for assets such as vessels and properties to our clients.

AN INTEGRATED SERVICE PROVIDER RELATING TO ALTERNATIVE INVESTMENTS

We provide integrated services relating to alternative asset investments including, but not limited to:

- asset/ investment management;
- finance arrangement;
- sale and purchase brokerage of ships and properties;
- ship chartering as a ship owner;
- ship chartering brokerage;
- ship technical management;
- project management;
- property development/ construction management; and
- property management and leasing arrangements.

CORPORATE PHILOSOPHY

We will continue to take on new challenges, create new value, and contribute to society.

CORPORATE PRINCIPLES

We will uphold business ethics, ensure regulatory compliance and fulfill our responsibilities as a member of society without fear, favour or prejudice.

We will act fairly and honestly with all stakeholders and strive to maintain and improve trust.

We take pride and passion as a team of professionals and strive to provide services and products of the highest quality to the best of our abilities.

BUSINESS MODEL

1

- **Acquire assets** at competitive prices.
- **Provide** to clients **solutions** relating to alternative assets including ship and property finance arrangement, sale and purchase arrangement.

2

- **Manage** and/or **operate assets** to enhance asset value and recurring income.

MULTI-LAYER INCOME SOURCE

- Charter income provides a recurring income and operating cash flow base
- Other shipping recurring income including charter hire brokerage fees, ship management fees, asset management fees, agency fees and commercial management fees add to recurring income base
- Asset management fee income from licensed property asset management subsidiary, UACJ provides an increasing recurring and operating cash flow base with an increasing assets under management
- Ad hoc fees including arrangement fees, brokerage fees, incentive fees provide additional income
- Investment returns from ALERO projects from robust Japan property market, ship investments help to lift overall profit
- Investment returns from HK property projects complete the overall profit profile of the Group

3

Deliver Value to Stakeholders Through:

- Capital returns.
- Recurring income including charter income, administration fee income.
- Ad hoc fee including finance arrangement fee.

EXECUTIVE CHAIRMAN'S MESSAGE

MICHIO TANAMOTO
Executive Chairman

NAVIGATING AND BUILDING STEADILY

Dear Valued Shareholders,

On behalf of the Board and management, it is my pleasure to present to you the Annual Report of Uni-Asia Group Limited and its subsidiaries (the "Group" or "Uni-Asia") for the financial year ended 31 December 2022 ("FY2022").

FY2022

Today, we announce with pride of having walked creditably through the opened doors of the Next Chapter of our new growth story as stated in my FY2021 message. This year, Uni-Asia has distinguished itself as a year of exceptional achievement, witnessed for the first time in 26 years. I am honoured to report that the Next Chapter has gained traction successfully with profits reaching record levels. A vigorous mixed of strong income generated from ship chartering, together with steady recurrent fee income from assets under management, has allowed us to proudly present shareholders with a more robust balance sheet. Asset quality has improved, and we enjoy stronger cash flow. With FY2022 net profits at a record US$27.9 million, the Board is pleased to propose a final dividend of S$0.03 per share and a special dividend of S$0.05 per share, totalling S$0.08 per share to be paid on 31 May 2023 should the dividends proposed be approved in the upcoming Annual General Meeting. Together with the S$0.065 per share interim dividend paid in September 2022, the total dividend for FY2022 would be a record S$0.145 per share.

The strong shipping market which started in FY2021 continued into FY2022, and our handysize bulk carrier business caught healthy tailwinds. In FY2022, our property business in Japan remained robust with healthy deal-flow. Although our Hong Kong property business was weak in FY2022 due to COVID-19, we are cautiously optimistic that this segment will thrive again soon as China opens its border. Our prudent balance sheet management and actions have allowed the group to report strong profitability. In turn, this has enabled us to reward our loyal investors with the highest dividend in the Group's history.

NAVIGATING AND BUILDING STEADILY

We stepped into FY2023 overshadowed by the grey clouds of inflation, the ongoing Russia-Ukraine war, and a weaker shipping market. However, our resilience and determination would allow us to navigate through this economic turmoil by leaning on our core investments. We are committed to continue building on our strengths so that we can be at the right place at the right time, not by chance, but by teamwork.

Our journey thus far has been a journey of deliberate action by our dedicated management and senior leadership teams. As our team matures, introducing and cultivating a younger generation of management team is welcomed and encouraged. It is only through this acceptance of new ideas from a more diverse range of human talent, regardless of gender, race and age that the Group can refresh ourself. This is the model for the Group to remain sustainable and relevant for our shareholders to be invested in.

An initiative that we will also embark on, is to better communicate the good work of our team and of our businesses. We are keen to extend our reach to investor groups both young and old, near or far. Many investors today are self-directed in their investment journey and approach. To reach this segment of the market, we have to be willing to engage the investment community through new channels. Channels that include social media and tools in addition to traditional media channels. To demonstrate our commitment, we have recently engaged a new investor relations team to help us on this journey. We believe that by reaching out to a wider audience, we would not only improve on brand visibility and attract new investor groups, we will also garner valuable feedback for us to constantly improve on our delivery of shareholder value.

“WE ARE COMMITTED TO CONTINUE BUILDING ON OUR STRENGTHS SO THAT WE CAN BE AT THE RIGHT PLACE AT THE RIGHT TIME, NOT BY CHANCE, BUT BY TEAMWORK.”

GRATITUDE

We are incredibly proud of our accomplishments over the past years and appreciate the hard work our people have put in to get us to where we are today. I would like to express my gratitude to all. The Group would never have been where it is without the dedication, commitment and hard work of the Board, the management, and employees. Special thanks are also extended to our clients, business partners, bankers, and our shareholders for your continuous support. Uni-Asia is privileged to be connected to all of you. Together we can navigate better! Together we can build a stronger Uni-Asia!

MICHIO TANAMOTO
Executive Chairman
Uni-Asia Group Limited
16 March 2023

CEO'S BUSINESS REVIEW

With the positive operational performance, we are declaring a final and special dividend totalling S$0.08 per share.

INCLUDING THE INTERIM DIVIDEND PAID IN 2022, THE TOTAL DIVIDEND FOR FY2022 AMOUNTS TO S$0.145 PER SHARE, MORE THAN DOUBLE OUR PAYOUT FROM A YEAR AGO AND THE HIGHEST DIVIDEND LEVEL IN THE HISTORY OF THE GROUP.

Dear Valued Shareholders,

Following the strong momentum that we enjoyed in FY2021, the Group logged another year of record profit, where net earnings surged more than 50% year-on-year to US$27.9 million in FY2022 on the back of higher revenue and margin expansion. With the positive operational performance, we are declaring a final and special dividend totalling S$0.08 per share. Including the interim dividend paid in 2022, the total dividend for FY2022 amounts to S$0.145 per share, more than double our payout from a year ago and the highest dividend level in the history of the Group.

KENJI FUKUYADO
Chief Executive Officer

Shipping Business to Stay Resilient

US$65.3 million charter income

The Group is looking to potentially recycle and reallocate our resources into more profitable projects to optimise profitability.

The shipping market started the year on a strong footing with the Baltic Handysize Index ("BHSI") averaging 1,432 for 1H2022, compared to 1,084 for 1H2021. However, as seaborne dry bulk trade demand started to soften, and with the easing of port congestion, the bulk carrier market began weakening in 2H2022, with the BHSI index dropping to an average of 940 in 2H2022, compared to 1,766 for 2H2021. Despite the sharp decline in the BHSI index in 2H2022, the Group turned in a relatively resilient performance, thanks to our active risk management strategy, which incorporated a blend of short and long-term charters for our vessels. The average daily charter rate for the Group's 10 consolidated dry bulk carriers was US$18,841/day for 2022, as compared to US$13,561/day in 2021, and was 2.4 times that in 2020. Consequently, the Group achieved a charter income of US$65.3 million in 2022, a 37% increase from 2021. Profit after tax for our shipping business surged more than 48% y-o-y to US$32.5 million in 2022.

Looking ahead, while the bulk carrier market started the new year on a weak note, industry experts are cautiously optimistic of an improvement through 2023. One of the key factors include the re-opening of China, which is expected to boost growth in the world's second largest economy, and help spur demand for seaborne trade, including the bulk carrier market. Supply-demand factors driving dry bulk shipping are also expected to remain positive, with dry bulk tonne-miles trade demand projected to grow by 2.0% and 2.2% in 2023 and 2024 respectively, while handysize dry bulk ship supply is projected to decline by 0.2% in 2023 and 1.7% in 2024. New emissions regulations could also further reduce supply in the market through slower speeds and retrofit time. Despite the recent drop in the BHSI, the resale value for handysize dry bulk ships has remained relatively resilient due to tight supply for vessels, according to data compiled by Clarkson Research[1]. The Group continues to monitor the Sale and Purchase market for opportunities to realise disposal gains from our older 28,000 DWT ships, as we look to potentially recycle and reallocate our resources into more profitable projects to optimise profitability.

[1] *Clarksons Research January report*

CEO'S BUSINESS REVIEW

Hong Kong Property Business Sees Positive Trends

The Hong Kong property market continued to be impacted by the COVID-19 pandemic in 2022, which resulted in the segment recording a profit of US$0.4 million, a far cry from the hay days of Hong Kong property boom times before the pandemic. Nonetheless, Hong Kong remains a major financial hub in Asia, and is home to many multinational corporations. The reopening of China has also helped to lift sentiment for the sector, with property deals in Hong Kong rising to a three-month high[2]. The total number of property transactions in January 2023 rose 24% from December 2022 to 4,427, with the value of the transactions increasing 26% to HK$32.5 billion (US$4.1 billion), a five-month high. We are cautiously optimistic that this positive trend will continue to boost the Group's property investments in Hong Kong, as we work closely with our partners to identify opportunities for divestment gains.

[2] *https://www.scmp.com/business/article/3208895/hong-kong-property-deals-hit-three-month-high-january-could-rise-again-month-mainland-chinese*

The Group's 4th, 5th, 6th and 7th Hong Kong property projects are in the market for strata sale. The Group's 8th property project in Hong Kong has also recently completed its foundation construction and is scheduled to be completed by 2024.

Japan Property Business Records Robust Performance

Despite the impact of the COVID-19 pandemic, the Tokyo property market has been robust, driven by a strong domestic economy and low interest rates. The Group's trademark small residential property projects – the "ALERO" series, as well as property asset management and related property businesses, have continued to perform well, chalking up a profit of US$1.7 million in 2022.

The Group's property assets under management by subsidiary Uni-Asia Capital (Japan) Ltd ("UACJ") had continued to grow, reaching JPY36.9 billion as at end of 2022. Its assets include Hotel/Hostel/Resort property assets (JPY12.3 billion), Residential property assets (JPY8.7 billion), as well as Healthcare/Medical/Group Home property assets (JPY15.9 billion). The Group will continue to build on its reputation to increase property assets under management in Japan, including introducing foreign investors to co-invest in Japan to boost our asset management fee income.

Driving Sustainable Growth for Years to Come

The surge in profits over the last two years has been a blessing for the Group, as the robust cashflows helped to significantly strengthen our balance sheet. Our net debt[3] position dropped drastically from US$78.5 million in 2020 to US$25.6 million in 2022. Coupled with our strong equity base of US$151.2 million, this gives the Group ample room to leverage on our capital structure to increase returns for shareholders.

[3] *Net debt defined as total cash less loans and borrowings.*

Alero Projects

The Group completed 7 ALERO projects in 2022, with 12 ongoing projects as at end of 2022.

Looking ahead, the Group has set a target to achieve a sustainable long-term return on equity ("ROE"). To achieve it, the Group has set forth the following goals:

1) More active marketing to source for potential business opportunities;
2) Increase the Group's marketing team talent pool;
3) Increase assets under management ("AUM") to drive higher fee incomes, rental incomes and investment returns from existing/new businesses;
4) Continuously improving operational efficiencies, including through IT investments; and
5) Promoting younger employees to management level over the next few years as the Group implements its succession plan.

As CEO, I am proud of what Uni-Asia has accomplished in FY2022, and look forward to all that lies ahead of us as we embark on the next stage of our expansion journey. As an investment management group specialising in alternative assets, it is our goal to create new investment sources and products, so as to boost our AUM as well as strengthen our investment portfolio. We are also committed to strengthening our balance sheet through opportunistic divestments, deleveraging and enhancing our liquidity position. We will continue to strive to optimise our profitability, by evolving, adapting and capitalising on the right opportunities that will generate sustainable long-term returns for our stakeholders and shareholders through capital appreciation and/or stable dividend yields.

As we conclude another financial year, I would like to take this opportunity to express my gratitude to the Board, management and all employees for their hard work, commitment and dedication, as well as to our clients, business partners, bankers and shareholders for their continued trust and support. The road ahead is filled with uncertainties. Let us navigate together to build a much stronger and profitable Uni-Asia!

KENJI FUKUYADO
Chief Executive Officer
Uni-Asia Group Limited
16 March 2023

GROUP FINANCIAL HIGHLIGHTS

SHARE CAPITAL INFORMATION

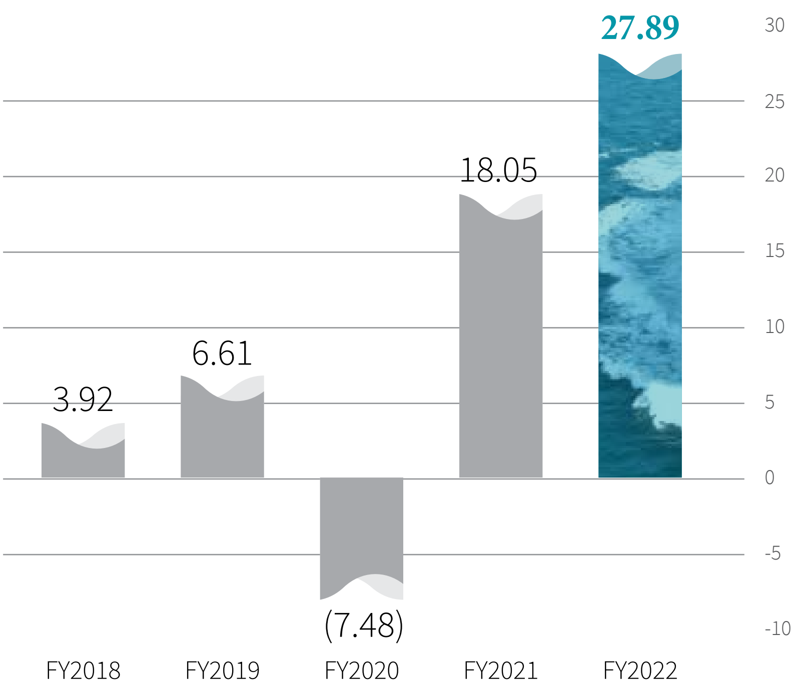
Number of Ordinary Shares:
78,599,987

SGX Stock Code:
CHJ

Bloomberg Stock Code:
UAG:SP

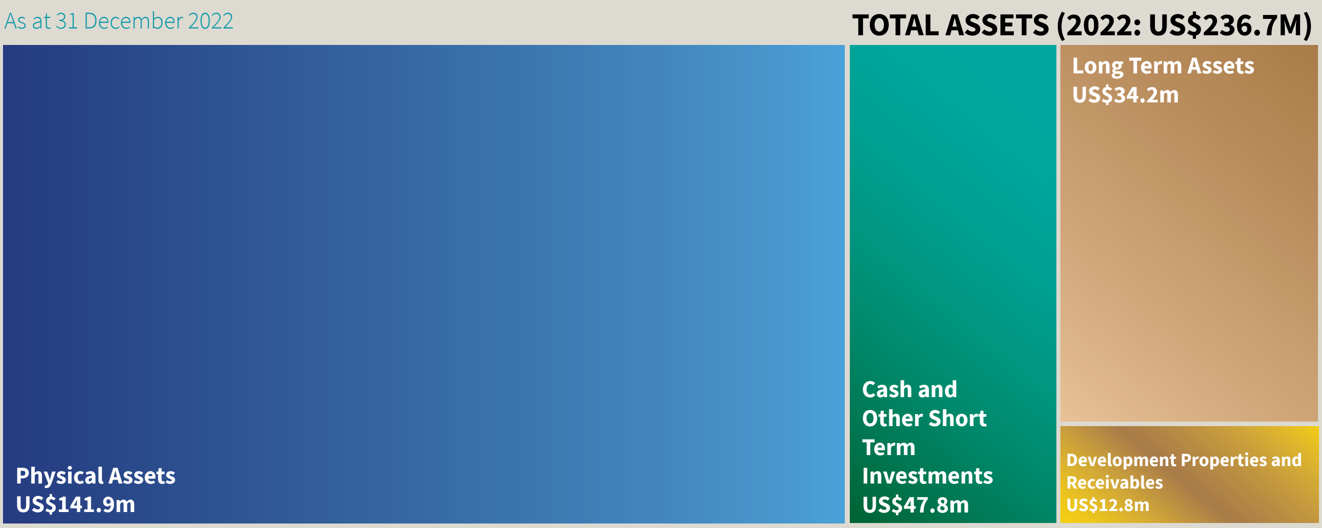
NET PROFIT/(LOSS) AFTER TAX

US$' million



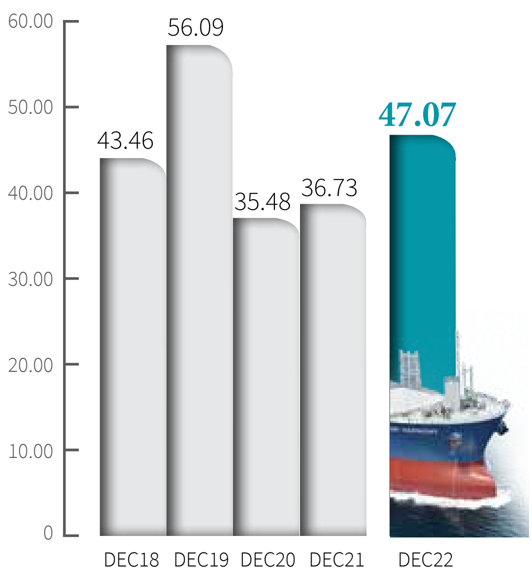
BALANCE SHEET SNAPSHOT

As at 31 December 2022

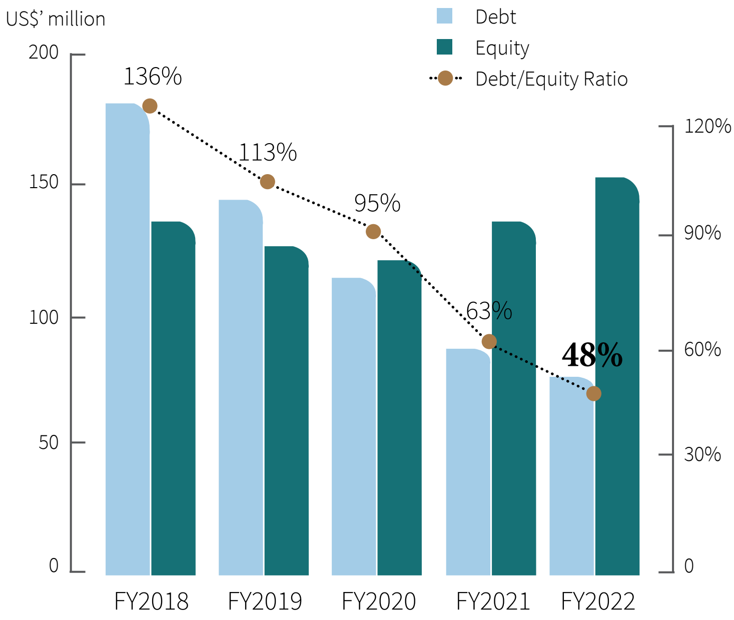


CASH BALANCE

US$' million

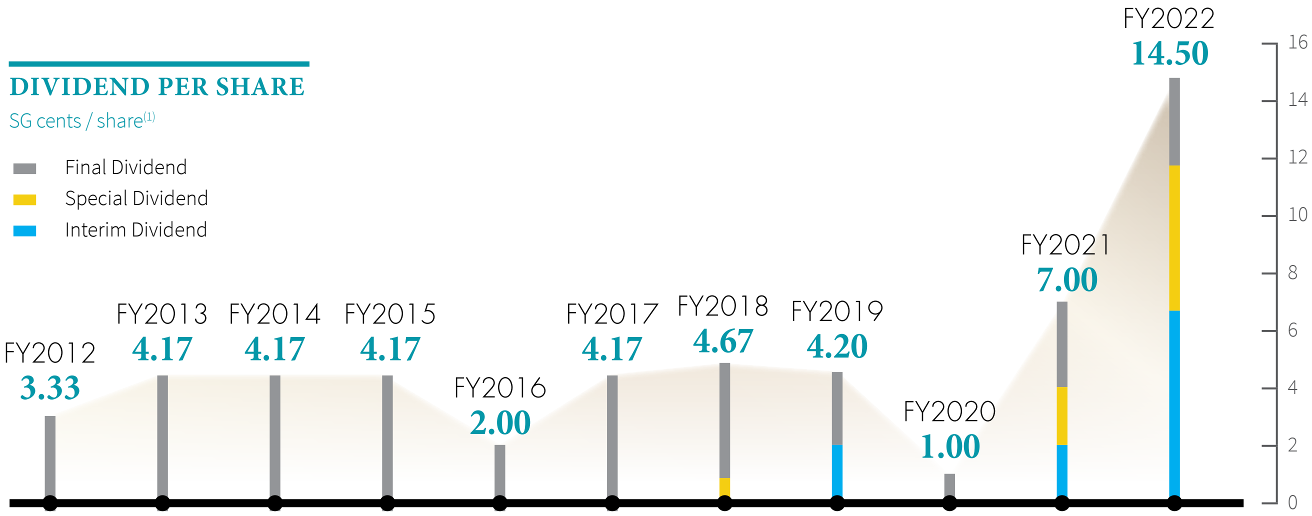


DEBT/EQUITY RATIO



DIVIDEND PER SHARE

SG cents / share[(1)]

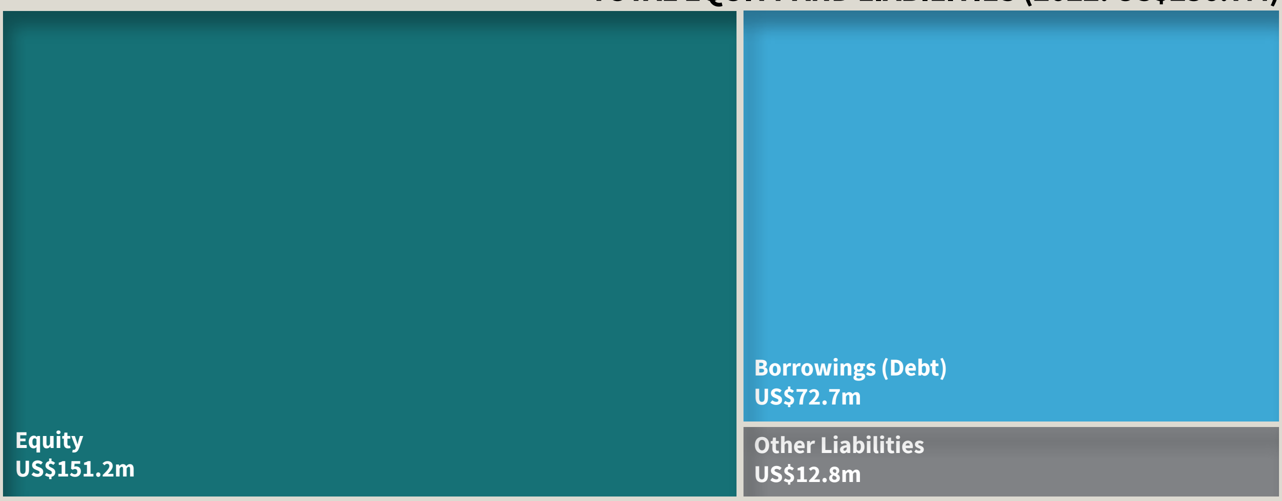


Note (1): Total number of shares used for computing dividend per share are adjusted for corporate actions where applicable so that the dividend per share figures are comparable.

BALANCE SHEET SNAPSHOT

As at 31 December 2022

TOTAL EQUITY AND LIABILITIES (2022: US$236.7M)



GROUP FINANCIAL REVIEW

1. Group Financial Performance

Selected Data From Consolidated Income Statement	The Group		
	FY2022 US$'000	FY2021 US$'000	% Change
Charter Income	65,279	47,805	37%
Fee Income	6,596	5,731	15%
Sale of Properties under Development	8,658	9,134	(5%)
Investment Returns	4,712	5,431	(13%)
Interest Income	208	89	134%
Other Income	683	1,245	(45%)
Total Income	**86,136**	**69,435**	**24%**
Total Operating Expenses	**(53,608)**	**(47,188)**	**14%**
Operating Profit	**32,528**	**22,247**	**46%**
Profit before Tax	**28,928**	**18,996**	**52%**
Income Tax Expense	(1,039)	(951)	9%
Profit for The Year	**27,889**	**18,045**	**55%**

Total Income

Total income of the Group was US$86.1 million for the year ended 31 December 2022 ("FY2022"), a 24% increase from US$69.4 million for the year ended 31 December 2021 ("FY2021"). Changes in major components of total income, including charter income, fee income, sale of properties under development, investment returns and other income are explained below.

(i) Charter Income

Charter income increased by 37% from US$47.8 million in FY2021 to US$65.3 million in FY2022.

Dry bulk market was strong in 1H2022 although the market started weakening in 2H2022. Notwithstanding, some of the dry bulk carriers in the Group's portfolio were locked in with higher charter rates fixed while the market was strong. The average daily charter rate for the Group's 10 consolidated dry bulk carriers was US$18,841/day for FY2022 as compared to US$13,561/day in FY2021, and was 2.4x that in FY2020.

(ii) Fee Income

Total fee income was US$6.6 million in FY2022, an increase of 15% from US$5.7 million in FY2021. Recurring asset management and administration fee income for FY2022 remained at fairly the same level as that in FY2021. Arrangement and agency fee as well as brokerage commission increased in FY2022 due to more arrangement and brokerage commission deals closed in FY2022. Incentive fees for FY2022 remained at fairly the same level as that in FY2021.

(iii) Sale of Properties under Development

Properties under development were sold for a total of US$8.7 million in FY2022 compared to US$9.1 million in FY2021. The decrease is mainly due to weakening of JPY vis-à-vis USD in FY2022, as the properties under development are projects in Japan.

(iv) Investment Returns

Investment returns for FY2022 was a gain of US$4.7 million compared to US$5.4 million for FY2021.

In FY2022, realised gain from sale of small residential property development projects was US$0.8 million while realised gain from ship investments was US$2.1 million.

Property rental income was US$0.7 million for FY2022, similar to that in FY2021.

Total net fair valuation gain from the Group's shipping, property and other investments were US$1.2 million for FY2022.

(v) Other Income

In the absence of various one-off miscellaneous receipts in FY2022, other income reduced by 45% from US$1.2 million in FY2021 to US$0.7 million in FY2022.

Total Operating Expenses

Employee benefits expenses increased by 12% from US$9.5 million in FY2021 to US$10.6 million in FY2022 mainly due to accrual of variable performance bonus component associated with performance of the Group. Amortisation and depreciation remained fairly stable at US$9.9 million in FY2022 compared to US$9.5 million in FY2021. Vessel operating expenses increased by 22% from US$18.6 million in FY2021 to US$22.6 million in FY2022 mainly as a result of global inflationary trend as well as factors caused by various disruptions due to the COVID-19 pandemic. Costs of properties under development sold were US$7.1 million for FY2022.

Net foreign exchange gain of US$1.5 million in FY2022 was mainly due to unrealised translation gain from unhedged portion of Japanese Yen loans arising from weakening of Japanese Yen against US Dollars.

Net operating expenses was US$53.6 million for FY2022 compared to US$47.2 million for FY2021, an increase of 14%.

Operating Profit

The Group recorded an operating profit of US$32.5 million for FY2022 an increase of 46% compared to US$22.2 million for FY2021.

Finance costs and other costs

Interest on borrowings was US$2.6 million for FY2022.

The allocation of profit of US$0.6 million to Tokumei Kumiai investors are similar to the allocation of profit to non-controlling interest, but for Godo Kaisha structure in Japan. The amounts in FY2022 and FY2021 were mainly due to sharing of profit following disposal of joint-investment ALERO projects.

Net Profit after Tax

The Group achieved a net profit after tax of US$27.9 million for FY2022, the highest net profit achieved in the history of the Group.

2. Cash Flows

Selected Data From Consolidated Cash Flow Statement	The Group	
	FY2022 US$'000	FY2021 US$'000
Net cash flows generated from operating activities	34,924	28,379
Net cash flows (used in)/ generated from investing activities	(1,108)	10,975
Net cash flows used in financing activities	(21,505)	(36,387)
Net increase in cash and cash equivalents	12,311	2,967
Net effects of foreign exchange rate changes	(1,974)	(1,712)
Cash and cash equivalents at beginning of the year	36,732	35,477
Cash and cash equivalents at end of the year	47,069	36,732

The Group's cash and bank balances increased by US$10.3 million in FY2022 after the effects of foreign exchange rate changes. Material items are listed below.

[A] US$34.9 million was generated from operating activities in FY2022, an increase of US$6.5 million from US$28.4 million in FY2021. The increase was mainly due to contributions from:

(i) charter income;
(ii) sale of properties under development; and
(iii) fee income from ship finance arrangement deal closed and Japan property-related fee-based services.

[B] Cash flows used in investing activities were US$1.1 million for FY2022, mainly due to the following:

Main cash inflows from investing activities are from proceeds from redemption/sale of investments of US$6.5 million, of which US$3.3 million pertained to small residential property projects (ALERO projects) and US$3.2 million pertained to proceeds from joint-investment ship investments.

Main cash outflows from investing activities include:

i) Property related investments of US$3.2 million; and
ii) increase in property, plant and equipment of US$3.8 million mainly due to capitalisation of drydocking-related expenditures.

[C] Cash flows used in financing activities were US$21.5 million in FY2022.

Main cash outflows from financing activities include:

i) repayments of borrowings of US$16.9 million offset by proceeds from borrowings of US$8.3 million;
ii) interest and other finance cost paid of US$2.7 million;
iii) fixed lease payments classified as lease principal paid (amounting to US$3.6 million) and lease interest paid (amounting to US$0.1 million); and
iv) total dividend of US$6.5 million (comprising final and special dividend of US$2.8 million for FY2021, and interim dividend of US$3.7 million for FY2022) were paid during the year.

MILESTONES

1997 **2009** **2010**

1997
- Uni-Asia Finance Corporation ("Uni-Asia") was incorporated in the Cayman Islands with business presence in Hong Kong and Singapore.

2000
- Subsidiary Capital Advisers Co., Ltd. ("Capital Advisers") was established in Japan for property investment and management.
- Arranged first JOL transaction for ship.

2001
- Arranged first UK lease transaction for ship.

2004
- Launched private ship investment fund Searex I & II.
- Established the GCAP Fund, which was jointly managed by Grosvenor Asia and Capital Advisers through Grosvenor Capital Advisers Fund Management Co., Ltd.

2009
- Issued 52,199,200 new shares via private placement. Issued shares increased to 313,195,200 shares.

2007
- Successfully listed on the Main Board of SGX-ST.
- Launched Akebono Fund.


Private Japanese shipping fund launched in S'pore

2010
- Uni-Asia Shipping Limited was established as main ship-owning subsidiary.
- Invested in the Group's first Hong Kong property project.

2011
- Issued 156,597,600 new shares by way of Rights Issue. Issued shares increased to 469,792,800 shares

2012
- Capital Advisers changed its company name to Uni-Asia Capital (Japan) Ltd. ("UACJ").
- Completed and sold first small residential project "ALERO ShimoMeguro".

2013
- Company name was changed from Uni-Asia Finance Corporation to Uni-Asia Holdings Limited.
- Acquired 51% stake in ship management company, Wealth Ocean Ship Management Shanghai Co., Ltd. ("WOSMS").

2015
- Completed 10-to-1 share consolidation. Number of shares is now 46,979,280 shares although paid-up capital remains as US$75,166,848.

Milestones 2022

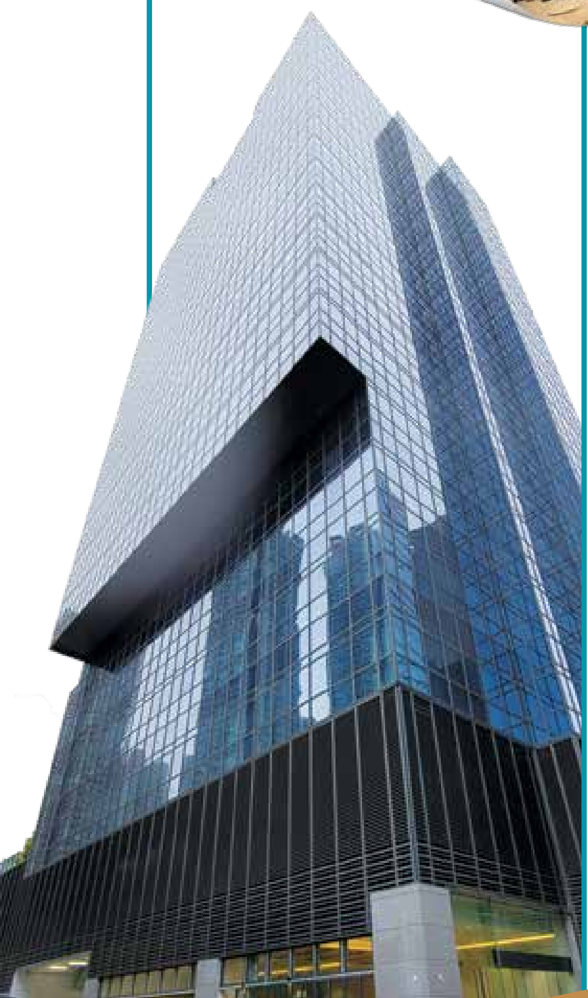
2018

2018

- Uni-Asia Career Support Ltd. was established to provide human resource placement services to the hospitality industry in Japan.

2017

- The Group celebrated its 20th year of founding.
- The Group completed a scheme of arrangement where Singapore incorporated Uni-Asia Group Limited did a share-swap with the shareholders of Uni-Asia Holdings Limited, following which, Uni-Asia Group Limited was listed on and Uni-Asia Holdings Limited was delisted from the Main Board of SGX-ST.



2019

2019

- The Group placed out 5,420,720 new shares increasing the issued shares to 52,400,000.
- The Group completed a 1 for 2 bonus shares issue aimed at rewarding shareholders and to enhance trading liquidity. Total number of shares increased from 52,400,000 to 78,599,987.
- Arranged first JOL transaction for container boxes.
- WOSMS organised the Group's first crew seminar.

2020

- Mr. Kenji Fukuyado was appointed as CEO from April while Mr. Michio Tanamoto remains as Executive Chairman. Position of Chairman and CEO are separate persons in accordance with Code of Corporate Governance 2018.
- AGM held by electronic means for the first time due to the COVID-19 pandemic.
- Disposed of hotel operating business in Japan.
- Disposed of Ital Massima, a 4,300 TEU containership held through the Group's 50% owned joint investment company, Rich Containership S.A.

2022

2022

- Record profit of US$27.9m, highest in the history of the Group.
- Declared total dividend of S$0.145/share, highest in the Group's history.
- The Group was awarded Silver Award Best Investor Relations (small-cap category) for The Singapore Corporate Awards 2022.
- The Group was awarded Winner – Most Transparent Company Award 2022 (Financials Category) for SIAS Investors' Choice Awards 2022.
- Principal Subsidiary, Uni-Asia Holdings Limited was awarded Good MPF Employer Award for two consecutive years.

2021

- Disposed of the remaining 3 containership investments in the Group's ship portfolio to focus on small handy-size dry bulk carriers.
- Established fund to develop and hold group homes for the disabled in Japan.
- Grand opening of Wako City Private Finance Initiative Project in Japan.
- Change of registered office.

INCOME STRUCTURE

Classification of Income per Income Statement	Sub-Classification of Income	BUSINESS SEGMENTS: SHIPPING	BUSINESS SEGMENTS: PROPERTY
Charter Income		Chartering of vessels to third parties	
Fee Income	Asset Management & Administration Fee	Asset management and administration of investment fund / investment companies Commercial / Technical Management	Asset management and administration of investment fund / investment companies
	Arrangement & Agency Fee	Finance arrangement / Agency work / Arrangement of acquisition and disposal	Finance arrangement / Agency work / Arrangement of acquisition and disposal
	Brokerage Commission	Brokerage of vessel charter	
	Incentive Fee	Fees for meeting investment target	Fees for meeting investment target
Investment Returns	Realised Gain / (Loss)	Realised gain and loss on investments / financial instruments	Realised gain and loss on investments / financial instruments
	Fair Value Adjustment	Fair value adjustments on investments / financial instruments	Fair value adjustments on investments / financial instruments
	Property Rental		Rental from investment properties
Interest Income		Bank deposit interest / Interest from bridge or shareholders' loan	Bank deposit interest and finance lease interest

OUR BUSINESS

Maritime Asset Management

Ship Owning and Chartering

Maritime Services

Property Investment In-Japan

Property Investment Ex-Japan

OUR BUSINESS

MARITIME ASSET MANAGEMENT

When Uni-Asia was founded, one of the main business activities of the Group was structured finance arrangement. Accordingly, the Structured Finance Department ("SFD") was established to provide finance arrangement solutions to our clients. Services provided include, *inter alia*, arranging project financing; financing of aircraft and vessels; arranging revolving loans as well as bridge loans. In 2000, SFD arranged the Group's first Japan Operating Lease ("JOL") for ship. Thereafter, JOL became a signature product of the Group. In 2001, the first United Kingdom lease transaction for ship was arranged. As the Group began investing in ships, a Maritime Investment Department was set up before merging with SFD to become the current Maritime Asset Management Department ("MAMD") in 2017. The results of MAMD are represented by Maritime Asset Management business segment.

MAMD currently manages a portfolio of joint-investment dry bulk carriers with shareholdings of 18% and 49%, contributing to fee income of the Group. In addition, any valuation adjustment and/or dividend payment from these joint-investment companies would add to the Group's investment returns.

With regard to finance arrangement, MAMD builds upon the good track record of the Group to provide reliable integrated bespoke financing solution services to our clients. MAMD typically acts as the arranger and agent for structured financing products provided by various third-party financial institutions. MAMD specialises in arranging financing for asset acquisitions by its clients and also offer tax-enhanced structured services and products, including mortgage financing; tax-oriented leases such as JOL products. Such transactions, when successful, would contribute to arrangement fee income of the Group.

Over the Group's history, MAMD had arranged more than 140 deals with total value exceeding US$8 billion. Notwithstanding the successful track record, MAMD never stop exploring new finance arrangement products to cater to our clients' needs, as evidenced by MAMD's first JOL transaction for container boxes in 2019. MAMD will continue to innovate and evolve so as to continue contributing positively to the Group's bottom-line.

- Maritime Asset Management Department provides an integrated service to our clients by offering financing solutions tailor-made to our clients' needs.
- Typically act only as the arranger and agent for the structured financing provided by third party financial institutions.
- Arrange financing for asset acquisitions by our clients as well as offer tax-enhanced structured services and products, including mortgage financing, tax-oriented leases such as Japanese operating leases, with fees received on each completed transaction.
- Manages a portfolio of joint-investment ships and receives fees from managing and administering these joint-investments.

MARITIME ASSET MANAGEMENT FLEET

	Name of Ship Owning Entity	Name of Ship	Ownership Percentage	Type	DWT	Shipyard	Year Built
1.	Matin Shipping Ltd.	Octbreeze Island	49%	Bulk Carrier	38,278	Imabari	2011
2.	Olive Bulkship S.A.	Kellett Island	18%	Bulk Carrier	57,836	Tsuneishi	2015
3.	Polaris Bulkship S.A.	Trident Star	18%	Bulk Carrier	57,836	Tsuneishi	2015
4.	Quest Bulkship S.A.	Uni Harmony	18%	Bulk Carrier	37,700	Imabari	2016
5.	Stella Bulkship S.A.	Uni Blossom	18%	Bulk Carrier	37,700	Imabari	2018
6.	Unicorn Bulkship S.A.	Uni Sunshine	18%	Bulk Carrier	36,300	Oshima	2018
7.	Victoria Bulkship S.A.	Uni Horizon	18%	Bulk Carrier	36,300	Oshima	2018
8.	Tiara Bulkship S.A.	Sider Montediprocida	18%	Bulk Carrier	37,700	Imabari	2020

As at 16 March 2023

OUR BUSINESS

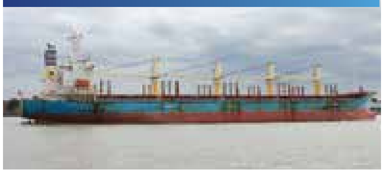
SHIP OWNING AND CHARTERING

Following the aftermath of Lehman Brothers collapse in 2008, the prices of newbuilt dry bulk carriers came down from their highs in 2007-2008 period. The Group decided it was a good time to build up a portfolio of wholly-owned small handy-size dry bulk carriers so as to provide the Group with stable recurring income and operating cash flows from the charter income of the ship portfolio. In 2010, the Group established Uni-Asia Shipping Limited to achieve this business objective. Over time, the Group has built up a portfolio of 10 wholly-owned dry bulk carriers and a network of valuable charterer clients. In 2022, Ship Owning and Chartering business segment helped the Group achieved the highest profit level since the Group's founding.

SHIP OWNING AND CHARTERING PORTFOLIO

As at 16 March 2023

Uni Auc One



Tonnage: **28,709 dwt**
Year Built: **2007**
Shipyard: **Shin-Kurushima**

Victoria Harbour

Tonnage: **29,100 dwt**
Year Built: **2011**
Shipyard: **Y-Nakanishi**

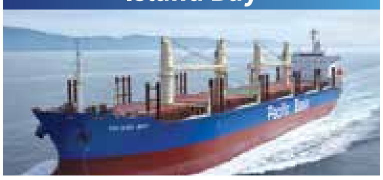
Clearwater Bay

Tonnage: **29,118 dwt**
Year Built: **2012**
Shipyard: **Y-Nakanishi**

Ansac Pride

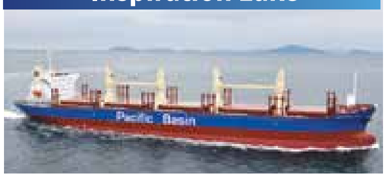
Tonnage: **37,094 dwt**
Year Built: **2013**
Shipyard: **Onomichi**

Island Bay



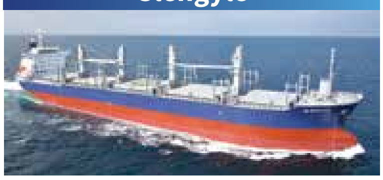
Tonnage: **37,649 dwt**
Year Built: **2014**
Shipyard: **Imabari**

Inspiration Lake



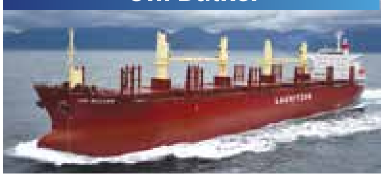
Tonnage: **37,706 dwt**
Year Built: **2015**
Shipyard: Imabari

Glengyle



Tonnage: **37,679 dwt**
Year Built: **2015**
Shipyard: **Imabari**

Uni Bulker



Tonnage: **37,700 dwt**
Year Built: **2016**
Shipyard: **Imabari**

Uni Wealth

Tonnage: **29,256 dwt**
Year Built: **2009**
Shipyard: **Y-Nakanishi**

Uni Challenge

Tonnage: **29,078 dwt**
Year Built: **2012**
Shipyard: **Y-Nakanishi**

OUR BUSINESS

MARITIME SERVICES

As the Group began expanding the portfolio of ships, a team of highly experienced shipping professionals were recruited to manage the ship portfolio commercially and technically. Maritime Business Department ("MBD") was soon established. In 2013, following the acquisition of 51% stake in ship management company, Wealth Ocean Ship Management (Shanghai) Co., Ltd., the Group completed our strategic set-up to be a one-stop ship-related integrated service provider. The Group is now able to provide a wide array of ship-related services including asset management and ship finance arrangement (through MAMD), charter brokerage and ship management services (through MBD). The results of MBD are represented by Maritime Services business segment.

MBD is responsible for putting in place a strategy of having a mixture of short to mid-term charter periods with different charter rates so as to maximise the charter income for the Group. At the same time, MBD has to ensure smooth operations of our ships time-chartered to our clients. With a dedicated team working around the clock, MBD is able to ensure the Group's shipping assets deliver optimum results to clients and investors.

OUR BUSINESS

PROPERTY INVESTMENT EX-JAPAN

When the Group was founded in 1997, other than structured finance arrangement, distressed asset investments was the other main business focus of the Group. Following the realisation of distressed assets in the Group's portfolio, the Group began looking for new business opportunities in China and Hong Kong, and established the Property Investment Department ("PID"). In 2007, PID purchased 14 office units in China Shine Plaza, Guangzhou, China. In 2010, PID partnered with developer First Group Holdings Limited ("First Group") in Hong Kong to develop the Group's first Hong Kong property project at 35 Hung Tung Road. Following the success of the first Hong Kong project, the Group continued partnering with First Group, and we have to-date worked on 8 projects together. The performance of PID is represented by Property Investment ex-Japan business segment.

4th Hong Kong Property Project

5th Hong Kong Property Project

6th Hong Kong Property Project

7th Hong Kong Property Project

8th Hong Kong Property Project

OUR BUSINESS

PROPERTY INVESTMENT IN-JAPAN

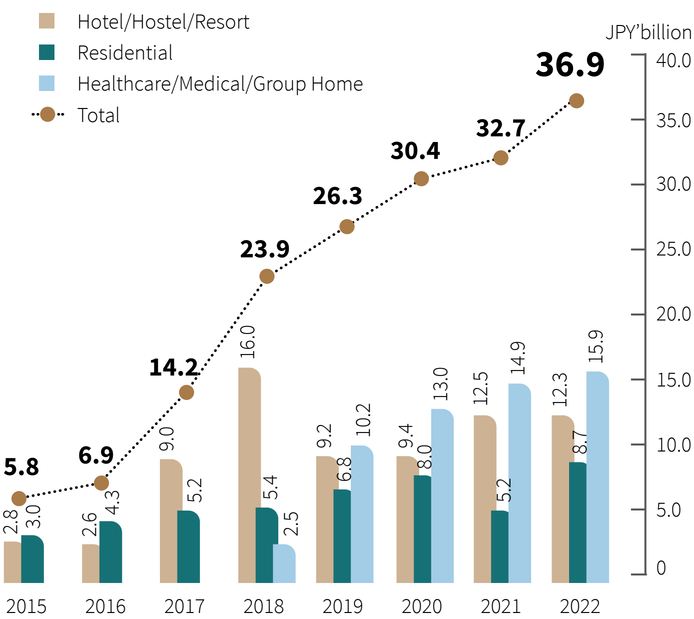
In the year 2000, the Group established wholly-owned subsidiary Capital Advisers Co., Ltd. ("Capital Advisers") in Japan for property investment and management. In the same year, Capital Advisers formed an investment partnership with Grosvenor Asia to invest in residential properties in Tokyo. Capital Advisers together with Grosvenor Asia, formed Grosvenor Capital Advisers Fund Management Co., Ltd. in 2004 to manage the GCAP Fund. In 2005, the Stable Residential Fund was established by Capital Advisers together with Grosvenor Fund Management Japan Limited and Diamon Realty Management Inc., a wholly-owned subsidiary of Mitsubishi Corporation.

Together, the GCAP Fund and Stable Residential Fund held more than 30 residential buildings with close to 1,400 units. Meanwhile in 2005, Capital Advisers acquired a hotel management company and began hotel operating business. Through these funds, Capital Advisers gathered substantial property investment and management expertise over the years.

In the year 2012, Capital Advisers changed its name to Uni-Asia Capital (Japan) Ltd. ("UACJ") to align its identity with the Group. In the same year, UACJ completed and sold the Group's first small residential development ALERO project – ALERO ShimoMeguro. Since then, the ALERO projects have become a specialty product of the Group. Meanwhile, UACJ continues to innovate and expand different properties, including hospitality and healthcare properties for its asset management business. In 2019, UACJ-led consortium successfully won the bid to develop a private finance initiative public facilities development project in Wako City – PFI Wako City Hirosawa Complex. This Complex had its grand opening in 2021. In 2021, UACJ established a fund to invest in Group Home for the Disabled. Such projects reflect the Group's commitment to good corporate citizenship and sustainable business practices.

Due to UACJ's continual search for new assets to manage and reputation built up over the years, UACJ's assets under management had reached JPY36.9 billion as at end of 2022 from just JPY5.8 billion as at end of 2015. Such assets include hotel/hostel/resort property assets; residential property assets; as well as healthcare/medical/group home property assets. The different asset classes demonstrated the depth and scope of UACJ's asset management capabilities.

UACJ ASSET MANAGEMENT AUM BY SEGMENT




Before
After

CORPORATE ORGANISATION

As at 16 March 2023

SG — UNI-ASIA GROUP LIMITED
Company Registration No: 201701284Z
Incorporated in the Republic of Singapore
Investment Holding I Listed on SGX-ST

100% HK — UNI-ASIA HOLDINGS LIMITED
(Incorporated in the Cayman Islands)
Alternative Asset Management

100% SG — Uni-Asia Capital (Singapore) Limited
MAMD Related Business

100% HK — Uni-Asia Shipping Limited
Ship Owning Business

100% HK — Uni Ships and Management Limited
Project / Ship Management

- **51% CN — Wealth Ocean Ship Management (Shanghai) Co., Ltd.**
  Ship Management

100% HK — Uni-Asia Capital Company Limited
Investment Holding

- **100% CN — Uni-Asia Guangzhou Property Management Company Limited**
  Property Investment & Management

100% JP — Uni-Asia Capital (Japan) Ltd.
Property Investment Management

100% JP — Uni-Asia Investment Ltd.
Property Investment Holding

SHIPPING			PROPERTY		
Maritime Asset Management	Ship Owning and Chartering	Maritime Services	Property Investment (ex-Japan)	Property Investment (in-Japan)	Sub-Business Segments
Investment / Asset Management of Ships Finance Arrangement	Ship Owning and Chartering	Commercial / Technical Management of Ships Ship Related Brokerage	Investment / Asset Management of Properties ex-Japan	Investment / Asset Management of Properties in-Japan	Business Nature

Business Segments

SG: Singapore **HK:** Hong Kong **JP:** Japan **CN:** China
Above represents major group companies only for illustrative purpose.

MANAGEMENT ORGANISATION

As at 16 March 2023

BOARD OF DIRECTORS

Mr. Michio Tanamoto
(Executive Chairman)

Mr. Kenji Fukuyado
(CEO)

Mr. Masahiro Iwabuchi
(Executive Director)

Mr. Yukihiro Toda
(Executive Director)

Mr. Lee Gee Aik
(Lead Independent Non-Executive Director)

Mr. Philip Chan Kam Loon
(Independent Non-Executive Director)

Ms. Juliana Lee Kim Lian
(Independent Non-Executive Director)

Reports directly to the Board

Ms. Chiaki Yamamoto
(Head - Internal Audit Department)

MR. KENJI FUKUYADO
CEO

Management Committee

Mr. Kenji Fukuyado (Chairman)
Mr. Michio Tanamoto
Mr. Masahiro Iwabuchi
Mr. Yukihiro Toda
Mr. Lim Kai Ching
Mr. Matthew Yuen

Review Committee

Mr. Kenji Fukuyado (Chairman)
Mr. Michio Tanamoto
Mr. Masahiro Iwabuchi
Mr. Yukihiro Toda
Mr. Lim Kai Ching

Mr. Matthew Yuen Wai Keung
Managing Director, Shipping
Head, MAMD

Mr. Shinichiro Ishizaki
Head, MBD

Mr. Masahiro Iwabuchi
Executive Director
Head, PID
President, UAI

Mr. Yukihiro Toda
Executive Director
President, UACJ

Mr. Takeshi Iritono
Managing Director, UACJ

Mr. Lim Kai Ching
Group Chief Financial Officer*

* *Group CFO oversees financial functions of the Group including Financial Management Department*

CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Michio Tanamoto
(Executive Chairman)

Kenji Fukuyado
(Chief Executive Officer)

Masahiro Iwabuchi
(Executive Director)

Yukihiro Toda
(Executive Director)

NON-EXECUTIVE DIRECTORS

Lee Gee Aik
(Lead Independent Non-Executive Director)

Philip Chan Kam Loon
(Independent Non-Executive Director)

Juliana Lee Kim Lian
(Independent Non-Executive Director)

CORPORATE WEBSITES

(available in English and/or Japanese)

UNI-ASIA GROUP LIMITED
www.uni-asia.com

UNI-ASIA SHIPPING LIMITED
www.uniasiashipping.com

UNI-ASIA CAPITAL (JAPAN) LTD
www.uni-asia.co.jp

AUDIT COMMITTEE

Lee Gee Aik
(Chairman)

Philip Chan Kam Loon

Juliana Lee Kim Lian

NOMINATING COMMITTEE

Philip Chan Kam Loon
(Chairman)

Lee Gee Aik

Juliana Lee Kim Lian

REMUNERATION COMMITTEE

Juliana Lee Kim Lian
(Chairman)

Lee Gee Aik

Philip Chan Kam Loon

COMPANY SECRETARY

Joanna Lim Lan Sim, ACIS

SHARE REGISTRAR AND SINGAPORE SHARE TRANSFER AGENT

Tricor Barbinder Share Registration Services
80 Robinson Road #11-02
Singapore 068898

AUDITOR

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583

Partner-in-charge: Shekaran Krishnan
(Appointed in 2022)

PRINCIPAL BANKERS

Mizuho Bank, Ltd.

Hong Kong Branch
12th Floor, K11 Atelier,
18 Salisbury Rod
Tsim Sha Tsui Kowloon
Hong Kong

Singapore Branch
12 Marina View #08-01
Asia Square Tower 2
Singapore 018961

The Hong Kong and Shanghai Banking Corporation Limited
Head Office,
1 Queen's Road Central,
Hong Kong

Bank Sinopac
Hong Kong Branch
18/F., One Peking, 1 Peking Road
Tsim Sha Tsui, Hong Kong

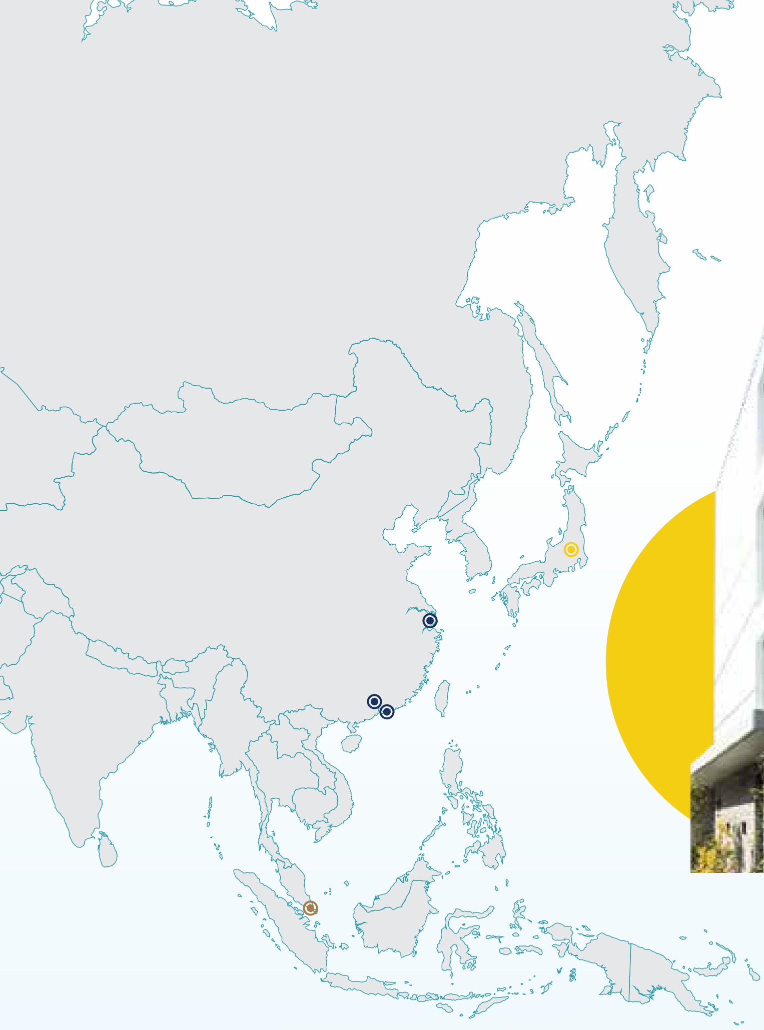
CTBC Bank Co., Ltd.
No. 168, Jingmao 2nd Road,
Nangang Dist., Taipei 11568,
Taiwan, R.O.C.

COMPANY REGISTRATION NO.

201701284Z

REGISTERED OFFICE

30 Cecil Street
#10-06/07 Prudential Tower
Singapore 049712
Tel: (65) 6438 1800
Fax: (65) 6438 1500



PRINCIPAL PLACES OF BUSINESS

As at 31 December 2022

19 employees in

JAPAN

Uni-Asia Capital (Japan) Ltd.

Hulic Kandabashi Building 5F,
1-21-1 Kanda Nishikicho,
Chiyoda-ku, Tokyo,
Japan, 101-0054
Tel: (81) 3 3518 9200
Fax: (81) 3 3518 9201

9 employees in

SINGAPORE

Uni-Asia Group Limited

30 Cecil Street
#10-06/07 Prudential Tower
Singapore 049712
Tel: (65) 6438 1800
Fax: (65) 6438 1500

25 employees in

HONG KONG

Uni-Asia Holdings Limited

30/F., Prosperity Millennia Plaza,
No. 663 King's Road,
North Point, Hong Kong
Tel: (852) 2528 5016
Fax: (852) 2528 5020

13 employees in

SHANGHAI

Wealth Ocean Ship Management (Shanghai) Co., Ltd.

Room 701,
Yongda International Tower,
2277 Longyang Road,
Pudong District, Shanghai,
201204, China
Tel: (86) 21 5888 8007
Fax: (86) 21 5888 8053

1 employee in

GUANGZHOU

Uni-Asia Guangzhou Property Management Co., Ltd.

Room 2401, Guangzhou Foreign
Economic & Trade Building,
351 Tianhe Road, Guangzhou,
510620, China
Tel: (86) 20 3880 2213

RISK MANAGEMENT

RISK MANAGEMENT FRAMEWORK

The Group has in place an Enterprise Risk Management ("ERM") Framework ("ERM Framework"), which governs the risk management process in the Group. Through this framework, risk capabilities and competencies would be continuously enhanced. The ERM Framework also enables the identification, prioritisation, assessment, management and monitoring of key risks to the Group's business. The risk management process in place covers, inter alia, financial, operational and compliance risks faced by the Group. The key risks of the Group are deliberated by the Management and reported to the Audit Committee ("AC"). The AC periodically reviews the ERM Framework with Management to ensure it remains adequate, effective and relevant vis-a-vis evolving internal and external environment in which the Group operates.

Complementing the ERM framework is a Group-wide system of internal controls, which includes the Code of Conduct, documented policies and procedures, proper segregation of duties, approval procedures and authorities, as well as checks-and-balances built into the business process.

To ensure that internal controls and risk management processes are adequate and effective, the AC is assisted by various independent professional service providers. External auditors provide reasonable assurance on the true and fair presentation of the Group's financial statements. Internal auditors provide assurance that controls over the key risks of the Group are adequate and effective.

INVESTMENT APPROVAL PROCESS

An important component of the Group's overall risk management is the investment approval process. The process aims to be robust in managing downside risk when deploying the Group's resources for investments while at the same time prompt in capitalising potential investment opportunities.

A summary of the Group's investment process is as follows. Members of the Review Committee are listed on page 29 "Management Organisation".

STEP 1

Brief project summary is prepared in the form of Concept Paper to seek approval for resources to be deployed for further analysis.

Concept Paper ("CP") → Submission → **Review Committee ("RevC")**

Review Committee ("RevC") → Enquiries / Approval → **Concept Paper ("CP")**

STEP 2

A detailed analysis is done to seek in principle approval for the investment subject to final due diligence and satisfactory documentation.

Appraisal Paper ("AP") → Submission → **Review Committee ("RevC")**

Review Committee ("RevC") → Enquiries / Approval → **Appraisal Paper ("AP")**

STEP 3

A Final Investment Paper is prepared with final conditions of the project.

Final Investment Paper ("FIP") → Submission → **Review Committee ("RevC")**

Review Committee ("RevC") → Enquiries / Approval → **Final Investment Paper ("FIP")**

- Seek Board's approval for investment where applicable
- Proceed with investment

INVESTOR RELATIONS

Uni-Asia's Commitment to Investor Relations

2022 marks the 15th year anniversary since Uni-Asia Group was listed on the Mainboard of the Singapore Stock Exchange. Since its inception, the Group has maintained close ties with the investment community, ensuring crucial information is communicated with regard to the highest legal and ethical standards. The Group's investor relations team, led by its Executive Chairman, CEO, Group CFO and senior management team, has over 10 years of investor relations experience. As such, our team is able to deliver precise corporate updates to relevant stakeholders as they unfold. In addition to the team, the Group has also partnered with a professional investor relations company, GEM COMM Pte. Ltd., to highlight the intrinsic value of our business in all external communication matters.

The Group remains steadfast in its commitment to shareholders, and therefore, employs a multi-layer channel approach to ensure maximum transparency. This is reflected in the Group's regular corporate updates on SGXNet and its company website, quarterly briefings that convey its latest operational performance, and direct communications with Group directors at Annual General Meetings ("AGM"). Shareholders are also welcome to contact the Group's investor relations team directly for further details.

Over the years, the Group has played a proactive role in meetings with analysts, funds, brokers and potential investors. Despite opting for a half-yearly reporting cycle, where the Group provides detailed financial updates for the period, we continue to provide voluntary business updates on a quarterly basis. In addition, we attend brokerage conferences regularly to strengthen our engagement with analysts and retail brokers. Thanks to these representatives, we are able to elevate our business profile among a larger group of investors. By making transparency our utmost priority, we hope to give the investment community an accurate picture of our strategic initiatives and development goals, thereafter helping them make sound investment decisions.

Investor Relations Activities

The Group aims to provide the investment community with a comprehensive understanding of its business model and growth strategies to enhance liquidity. Our approach to investor engagement is on-going, and with each initiative, we aim to build an even deeper relationship with our investors.

25 May 2022
1Q2022 Analyst Briefing

Following the relaxation of COVID-19 restrictions, the Group opted for a hybrid-style analyst briefing in 1Q2022, which was well-received with a total of 20 registrations, half of whom decided to attend the meeting in person at Uni-Asia's headquarters. These attendees comprised of 1) research analysts and brokers from Maybank Securities, Phillip Securities, KGI Securities, and SAC Capital; 2) institutional investors from Euro Asia Medico and 8VantEdge; 3) journalists from NextInsight; and 4) private investors. During the briefing, the Group spoke about its latest business developments and offered insights into the outlook for the handysize dry bulk market, as well as the property market in Japan and Hong Kong.

22 June 2022
Brokerage Webinar with Phillip Securities

The Group received an invitation to deliver a corporate presentation to retail brokers at Phillip Securities, with the Head of Research facilitating and moderating the lunch briefing. The call saw an impressive turnout of more than 60 participants.

28 June 2022
Brokerage Webinar with CGS-CIMB

In the same month, the Group was invited to host another lunch briefing with CGS-CIMB. This webinar was held over a Zoom call and was attended by over 15 participants.

15 August 2022
1H2022 Results Briefing

The Group's 1H2022 results briefing saw a total of 16 attendees, with four joining in person. During the session, the management provided an overview of the Group's financial performance in 1H2022 and offered their perspective on the current outlook for the shipping and property industries. Following the presentation, there was an engaging discussion session where the management fielded questions from analysts and investors. The queries raised pertained to key topics such as the Group's charter terms, views on the recent decline in shipping rates, and the impact of tightening environmental regulations on marine shipping.

21 November 2022
3Q2022 Analyst Briefing

The Group held its 3Q2022 analyst briefing via Zoom, with management inviting a representative to share insights on their recent business trip to ALERO projects in Japan. The session included a detailed introduction to the project, as well as an overview of the facilities in the surrounding area. Through the sharing session, the Group hoped to help attendees get a clearer understanding of their ongoing efforts and progress in Japan.

23 November 2022
Brokerage Webinar with DBS

The Group attended a lunch briefing with DBS's retail brokers. More than 20 attendees joined the call and actively participated in the Q&A session to understand more about the Group's business model and corporate strategies.

30 November 2022
Brokerage Webinar with Maybank Securities

The Group was invited to attend a lunch briefing with trading representatives from Maybank Securities. Over 15 attendees joined the presentation via Zoom.

2 March 2023
FY2022 Results Briefing with CGS-CIMB

The Group was invited for a lunch briefing to present its FY2022 financial results with CGS-CIMB's network of investors, brokers, and analysts. The lunch briefing gathered more than 100 participants.

24 March 2023
FY2022 Result Briefing

The Group held a hybrid-style FY2022 results briefing in Uni-Asia's office. Close to 30 attendees were present physically and via Zoom. The Group presented FY2022's results and dividend, as well as addressed queries from the attendees.

Media

Our management team is open to accepting media interviews, where we can provide valuable insights into the Group's business strategies and outlook, as well as offer informed commentary on industry trends. In addition to traditional media houses, the Group also engages specialised investment media, such as NextInsight, to further extend its visibility to a broader range of investors. In 2022, our CEO was featured in The Edge, where he provided a comprehensive overview of the Group's strategies for navigating the volatile shipping market and maintaining a strong presence within the investment community.

INVESTOR RELATIONS

Investor Relations Contact

Mr. Kenneth Wong
Tel: +65 9817 6645
Email: kenneth@gem-comm.com

Ms. Clarissa Ooi
Tel: +65 8774 0870
Email: clarissa@gem-comm.com

Date	Media/Brokerage	Headline
01 March 2022	The Edge	Uni-Asia reverses from net loss to report 2HFY2021 earnings of US$11.0 mil
03 March 2022	TradeWinds	Bulker owner Uni-Asia set to pay out highest dividend in a decade
04 March 2022	The Business Times	Brokers' take: KGI raises Uni-Asia target price on higher demand for smaller carriers
04 March 2022	The Edge	Uni-Asia 'significantly undervalued amid the ongoing bulk shipping upcycle': KGI
02 June 2022	The Edge	CEOs of Olam, Uni-Asia and independent director of Dyna-Mac raise stakes in respective companies
07 June 2022	TradeWinds	Uni-Asia CEO increases skin in the game at SGX-listed bulker owner
01 July 2022	The Edge	Uni-Asia Group well placed to gain from surging charter rates: PhillipCapital
12 August 2022	The Edge	Uni-Asia declares highest interim dividend since inception, earnings more than double y-o-y
17 August 2022	Simply Wall St	Uni-Asia Group (SGX: CHJ) Will Pay A Larger Dividend Than Last Year At $0.065
21 August 2022	The Business Times	Buyback momentum returns following earnings reports
26 August 2022	The Edge	Broker's Digest: SGX, ESR-LOGOS REIT, Tiong Woon Corp, Q&M Dental Group, Uni-Asia Group, SingPost
30 August 2022	The Business Times	Thirty-two companies, 6 individuals awarded at the 17th Singapore Corporate Awards
08 September 2022	NextInsight	UNI-ASIA, SAMUDERA: Overpriced? Fairly priced? Or underpriced?
16 September 2022	KGI Trading Notes	Technical Analysis – Uni-Asia Group
11 October 2022	KGI Trading Notes	Technical Analysis – Uni-Asia Group
16 October 2022	The Business Times	Pace of director filings slow ahead of business updates
10 November 2022	Zaobao	市场人士：供应链中断情况缓解 年底旺季商品延误率和运费料下降
24 November 2022	The Edge	Phillip Securities keeps "buy" call on Uni-Asia, flags risks of lower rates in coming FY2023
27 November 2022	NextInsight	UNI-ASIA: Charter rates surprisingly strong in 3Q. Why? Will they stay that way?
08 December 2022	The Edge	Uni-Asia banks on China reopening to lift shipping and property businesses
22 February 2023	Lim & Tan Securities	Non-Rated Report: Good Dividend Track Record

Conclusion

The Group places significant emphasis on its investor relations initiatives, recognizing their importance in extending its visibility and strengthening its connections within the investment community. We understand the impact of providing timely, accurate and transparent information to our stakeholders, and we remain committed in doing so. As an integrated service provider in the alternative investment field, we strive to be a trusted source of information for all our clients. We are grateful for the long-term support from our shareholders, clients and employees. Their trust and loyalty have continued to be driving forces for our motivation to grow our business and generate sustainable value.

AWARDS

The Singapore Corporate Awards 2022
– Silver Award Best Investor Relations
(Small-Cap Category)

2021 – 2022
Hong Kong
Good MPF
Employer
Award

Source:
Photo courtesy of SIAS

SIAS Investors' Choice
Awards 2022
– Winner Most Transparent
Company Award
(Financials Category)

BOARD OF DIRECTORS

MR. MICHIO TANAMOTO

Executive Chairman

Mr. Michio Tanamoto was appointed Executive Chairman of Uni-Asia Group Limited on 30 April 2020. Mr. Tanamoto was appointed as Chairman and Chief Executive Officer in April 2014, before he relinquished his position as Chief Executive Officer in 2020 as part of the Group's succession planning. He is one of the founders who established the Company in 1997 and has been a Director since then. He has over 40 years of experience in financial sector, having based in Japan, Hong Kong and Singapore. In 1980, Mr. Tanamoto joined The Hokkaido Takushoku Bank, Ltd. Between 1988 and 1993, he was a senior manager of Takugin International (Asia) Limited in Hong Kong, the offshore merchant banking arm of The Hokkaido Takushoku Bank, Ltd. Following which, Mr. Tanamoto was a deputy general manager of the Singapore Branch of The Hokkaido Takushoku Bank, Ltd. from 1995 to 1997. Mr. Tanamoto is also currently Managing Director of Uni-Asia Capital (Singapore) Limited and also a Director of the Company's subsidiaries including Uni-Asia Holdings Limited, Uni-Asia Capital Company, Uni Ships and Management Limited, Uni-Asia Capital (Japan) Ltd, and Uni-Asia Investment Ltd. Mr. Tanamoto obtained a bachelor's degree in law from Hitotsubashi University of Japan in 1980.

MR. KENJI FUKUYADO

Chief Executive Officer

Mr. Kenji Fukuyado was appointed Chief Executive Officer of Uni-Asia Group Limited on 30 April 2020, and concurrently Chairman of the Group's Management Committee and Review Committee. He has been an Executive Director since March 2018. Mr. Kenji Fukuyado joined the Group in 2001 and was the Managing Director of Uni-Asia Finance Corporation (Japan) from May 2003 to December 2005. He was transferred to the Group's head office in Hong Kong in January 2006 and was Head of Structure Finance Department from January 2006 to December 2009. Between January 2010 to January 2013, he was Head of Maritime Investment Department. In February 2013, he was appointed as Managing Director of the Group, responsible for Maritime Asset Management. Mr. Fukuyado has over 30 years of experience in the finance industry, with expertise in structured finance including tax lease, asset finance, loan syndication, corporate finance and asset management. Between 1987 and 1998, he worked for The Hokkaido Takushoku Bank, Ltd. in Japan and Hong Kong. Mr. Fukuyado is currently Chairman of Uni-Asia Shipping Limited and Uni-Asia Capital (Japan) Ltd., and also a director of the company's subsidiaries including Uni-Asia Holdings Limited, Uni Ships and Management Limited, Uni-Asia Capital Company Limited, Uni-Asia Investment Ltd. Mr. Fukuyado graduated with a bachelor's degree in law from Waseda University in 1987.

MR. MASAHIRO IWABUCHI

Executive Director

Mr. Masahiro Iwabuchi was appointed as an Executive Director of Uni-Asia Group Limited on 1 March 2018. He joined the Group when it was established in 1997 and was appointed as Senior Managing Director in April 2014. Mr. Iwabuchi heads the Property Investment Department, overseeing all property investments of the Group.

Prior to joining the Group, Mr. Iwabuchi spent more than 13 years with The Hokkaido Takushoku Bank, Ltd. and accumulated extensive experience in the banking industry across Asia including Japan, Indonesia, Singapore, Hong Kong and the PRC. In addition, Mr. Iwabuchi had experience in property investment in PRC, Japan and Hong Kong during his tenure in The Hokkaido Takushoku Bank, Ltd. Mr. Iwabuchi is currently President of Uni-Asia Investment Ltd., and holds directorship in the Group's subsidiaries including Uni-Asia Holdings Limited, Uni-Asia Capital Company Limited, Uni-Asia Guangzhou Property Management Co., Ltd, Uni-Asia Capital (Japan) Ltd, as well as the Group's investee companies. Mr. Iwabuchi completed Licensing Examination for HKSI Specialist Certificate (Asset Management, Corporate Finance, Derivatives and Securities). Mr. Iwabuchi graduated with a bachelor's degree in economics from Hirosaki University of Japan in 1985. In addition to Japanese, Mr. Iwabuchi speaks fluent Mandarin.

MR. YUKIHIRO TODA

Executive Director

Mr. Yukihiro Toda was appointed as an Executive Director of Uni-Asia Group Limited on 1 March 2018. He is concurrently the President of Uni-Asia Capital (Japan) Ltd. a position he held since December 2011. Mr. Toda joined the Group in 1998, and was appointed Chief Investment Officer of Uni-Asia Capital (Japan) Ltd. in February 2000. While in this role, he was responsible for overall real estate fund management business and property investment business in Japan. Between 1985 and 1998, Mr. Toda was with The Hokkaido Takushoku Bank Ltd. and HSBC Securities Tokyo Branch. While with The Hokkaido Takushoku Bank, Ltd. Mr. Toda worked in various Asian cities including Tokyo, South Korea and Hong Kong. In HSBC Securities, Mr. Toda was with its Tokyo Branch, where he was involved in international finance, structured finance and origination of syndicated loans. Mr. Toda is a director of the company's subsidiary, Uni-Asia Holdings Limited. Mr. Toda graduated with a bachelor's degree in economics from Yokohama National University in 1985.

BOARD OF DIRECTORS

MR. LEE GEE AIK

Lead Independent Non-Executive Director

Mr. Lee Gee Aik was appointed as an independent director of the Company on 4 January 2016. Mr. Lee is currently the CFO/Financial Director of AlphaRock Family Office Pte Ltd., a multi-family office with a capital market services licence. He was the Executive Vice Chairman of E2-C Capital Holdings Ltd, listed on the Catalist Board of the Singapore Stock Exchange playing a key role in its successful RTO. Mr. Lee is an accountant with many years of experience in accounting and audit having been with both KPMG Singapore and USA and as a practising public accountant in Singapore. He also has hospitality industry experience working for a leading chain of hotels in Asia. Mr. Lee qualified as a Chartered Certified Accountant with The Association of Chartered Certified Accountants, United Kingdom. He also obtained a Master of Business Administration from Henley Management College, United Kingdom. He is currently a Fellow with The Association of Chartered Certified Accountants, United Kingdom and The Institute of Singapore Chartered Accountants. He presently also serves as an independent director on the board of Anchun International Holdings Ltd. and SHS Holdings Limited, and a non-independent non-executive director of Astaka Holdings Limited.

MR. PHILIP CHAN KAM LOON

Independent Non-Executive Director

Mr. Philip Chan Kam Loon was appointed as an Independent Director of the Company on 1 March 2018. Mr. Chan holds a degree in Accounting and Finance from the London School of Economics and is a member of the Institute of Chartered Accountants in England and Wales. He has many years of experience in accounting and audit with KPMG London and PWC Singapore, investment banking with Morgan Grenfell Asia and HG Asia Securities and was a director of private equity investments at Suez Asia Holdings. Mr. Chan was head of the Listings Function of Markets Group at the Singapore Exchange for 3 years. Mr. Chan has also served on the Singapore's Accounting Standards Committee, Singapore Zhejiang Business Council and also Singapore Shandong Business Council as well as non-executive director of National Volunteer Philanthropy Centre and Vision Fund, the international microfinance arm of global charity World Vision. He also serves as independent director of several other SGX listed companies.

MS. JULIANA LEE KIM LIAN

Independent Non-Executive Director

Ms. Juliana Lee was appointed as an Independent Director of the Company on 1 March 2019. Ms. Lee is a Director of Aptus Law Corporation. She has more than 30 years of experience in legal practice and currently heads the corporate practice of Aptus Law Corporation. Her main areas of practice are corporate law, corporate finance, mergers and acquisitions and venture capital. She holds a Bachelor of Laws (Honours) degree from the National University of Singapore and is a member of the Singapore Institute of Directors. Ms. Lee also presently serves as an independent director on the board of Nordic Group Limited, Dyna-Mac Holdings Ltd and VCPlus Limited (formerly Anchor Resources Limited).

KEY MANAGEMENT

Mr. Lim Kai Ching
Group Chief Financial Officer

Mr. Lim Kai Ching joined Uni-Asia in June 2011 and was appointed as Chief Financial Officer of the Group in August 2011 and subsequently as Group Chief Financial Officer in 2015. Mr. Lim has over 25 years of experience in areas including finance, accounting, risk management, investment, audit and investor relations. Prior to joining Uni-Asia, Mr. Lim worked for State Street Fund Services (Singapore) Pte Ltd. Between 2008 to 2009, he was the Financial Controller of a PRC-based seafood processing company. From 2007 to 2008, Mr. Lim was Vice President with the Group, responsible for the Group's on-going listing matters and financial reporting of private shipping fund for which the Group acts as fund manager. Between 1999 and 2007, Mr. Lim was with Government of Singapore Investment Corporation Pte Ltd ("GIC"). Mr. Lim graduated with a Bachelor of Accountancy (Honours) from Nanyang Technological University and is a member of the Institute of Singapore Chartered Accountants.

Mr. Matthew Yuen Wai Keung
Managing Director, Shipping

Mr. Matthew Yuen was appointed as Managing Director in March 2018. He is the Head of Shipping and responsible for the Group's overall shipping business, including ship owning and chartering, maritime asset management, and maritime services. He is the CEO of the Group's ship-owning subsidiary, Uni-Asia Shipping Limited. Mr. Yuen joined Uni-Asia in October 1997. Prior to joining the Group, Mr. Yuen worked in several international banks, specialising in corporate banking and syndications. Mr. Yuen graduated from The Chinese University of Hong Kong with a Second Class (Upper) Honours degree in Business Administration. He received his MBA from The Australian Graduate School of Management, University of New South Wales.

Mr. Takeshi Iritono
Managing Director of Uni-Asia Capital (Japan) Ltd.

Mr. Takeshi Iritono joined Uni-Asia in 2003 and was appointed a Managing Director of Uni-Asia Capital (Japan) Ltd. ("UACJ") in December 2011. He is currently the General Manager of Asset Management Department of UACJ. Mr. Iritono's responsibilities in UACJ includes real estate asset management and development of residential properties, hotel properties and commercial properties. He graduated with a bachelor's degree in law from Keio University in 1994.

KEY MANAGEMENT

Ms. Candy Wong Wang Ying
Head of Financial Management Department

Ms Candy Wong Wang Ying joined Uni-Asia in November 1997 and was appointed as Head of Financial Management Department (Corporate) on 1 April 2022 and subsequently from 1 September 2022 she was appointed as Head of Financial Management Department leading both corporate and shipping teams. She is responsible for financial management, cash flow management, forecasting, budgeting and corporate secretarial matters. Prior to joining Uni-Asia, she had banking experience with The Hokkaido Takushoku Bank Ltd., Hong Kong Branch. She graduated with a Bachelor's degree in Accounting from Curtin University of Technology and is a fellow member of both The Hong Kong Institute of Certified Public Accountants and CPA Australia.

Mr. Shinichiro Ishizaki
Head of Maritime Business Department

Mr. Shinichiro Ishizaki joined the Company in January 2016 and was appointed as General Manager - Project, Maritime Business Department of the Company in October 2017 and subsequently as Head of Maritime Business Department in September 2022. Based in Hong Kong, Mr. Ishizaki is responsible for various shipping business of the Group including projects, sales & purchase ("S&P"), spot/period chartering, and ship management. Prior to joining Uni-Asia, he was in charge of ship finance and S&P at Singapore-based ship owning company followed by 2 years' secondment to Ministry of Finance, Japan. Mr. Ishizaki graduated from Hokkaido University, Japan with a Master's degree in Field Engineering for the Environment in 2010.

Ms. Chiaki Yamamoto
Head of Internal Audit Department

Ms. Chiaki Yamamoto joined Uni-Asia in April 2013 and was appointed the Chief Internal Auditor in August 2018 and subsequently as Head of Internal Audit Department in September 2022. Based in Singapore, she is currently in-charge of the internal audit function of all operation in the Group. She has more than 20 years of experience in various corporate functions, including corporate management, human resource and internal audit for various major Japanese trading companies. She is a Certified Fraud Examiner ("CFE") in USA, and a Qualified Internal Auditor by the Institute of Internal Auditors ("IIA") Japan. She is member of Association of Certified Fraud Examiner ("ACFE") and IIA in Singapore and Japan.

Mr. Kenneth Wong
General Manager

Mr. Kenneth Wong joined Uni-Asia in March 2004 and was appointed as General Manager of Property Investment Department in January 2019. He is a member of the team that is responsible for the property investment business of the Group. Prior to joining Uni-Asia, Mr. Wong worked with Sumitomo Banking Corporation during 1995 - 2000 in the marketing and risk management divisions of the bank's Hong Kong Office. Mr. Wong graduated with a Bachelor's degree in Economics and Japanese Studies from Sheffield University England in 1995.

Ms. Yumiko Kanda
General Manager

Ms. Yumiko Kanda joined Uni-Asia in November 2003 specialising in ship finance. She was the Managing Director of Uni-Asia Finance Corporation (Japan) from 2006 to 2015 and subsequently the head of ship finance of Uni-Asia Capital (Japan) Ltd. from 2015 to 2022. She was transferred to the Group's head office in Hong Kong as General Manager of Maritime Asset Management Department of Uni-Asia Holdings Limited on 1 November 2022. She has 30 years' experience in the finance industry and had worked in major cities including New York, Tokyo and Hong Kong. Prior to joining Uni-Asia, Ms. Kanda worked in various international banks in New York specialising in tax and accounting driven products for 8 years. She graduated from Kwansei Gakuin University with a Bachelor's degree in English and received her MBA majoring in Finance and Investment from the George Washington University in the United States.

Ms. Rachel Choo Chew Ting
General Manager

Ms. Rachel Choo Chew Ting joined Uni-Asia in April 2012 and was appointed as General Manager of Accounting in April 2022. She is responsible for the Group's consolidated financial reporting and regulatory compliance. Ms. Choo has more than 15 years of experience in areas including finance, accounting and audit. Prior to joining Uni-Asia, Ms. Choo worked in private equity fund administration department of State Street Fund Services (Singapore) Pte. Ltd. Ms. Choo was an auditor with KPMG Singapore between September 2005 to December 2008. Ms. Choo graduated with a Diploma in Accounting and Finance from Temasek Polytechnic and has a Bachelor of Science in Applied Accounting with Oxford Brookes University in association with ACCA. She is a member of the Institute of Singapore Chartered Accountants.

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CORPORATE GOVERNANCE REPORT

Uni-Asia Group Limited (the "**Company**") is strongly committed to maintaining a high standard of corporate governance within the Company and its subsidiaries (the "**Group**"). The board of directors of the Company (the "**Board**") recognises the importance of good corporate governance and the offering of high standards of accountability to the shareholders.

This report, set out in a tabular form, describes the Company's corporate governance processes and structures that were in place throughout the financial year, with specific reference made to the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**") issued on 6 August 2018.

The Board confirms that for the financial year ended 31 December 2022 ("**FY2022**"), the Company has complied with the core principles of corporate governance laid down by the Code. The Company has also largely complied with the provisions that reinforce the principles of the Code, where applicable, and has provided appropriate explanations for variations from the provisions of the Code (namely, variations from Provisions 2.2, 2.3, 8.1 and 11.4 as further described below), including the reason for variation and how the practices the Company had adopted are consistent with the intent of the relevant principle of the Code, in this report.

BOARD MATTERS

The Board's Conduct of its Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Provisions	Corporate Governance Practices of the Company
1.1	**Directors are fiduciaries who act objectively in the best interests of the Company**
	The Company is headed by an effective Board, comprising competent individuals with diversified background and collectively brings with them a wide range of experience, to lead the Company.
	The Board oversees the business affairs of the Company and assumes responsibility for the Group's overall strategic plans, key operational initiatives, major funding and investment proposals, financial performance reviews and corporate governance practices. In particular, the Board holds the management of the Company (the "**Management**") accountable for performance. The Board has also put in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company.
	All directors exercise due diligence and independent judgement, and are obliged to act in good faith and in the best interests of the Company. Where there are conflicts of interest, directors recuse themselves from discussions and decisions involving the issues of conflict.
1.2	**Directors' induction, training and development**
	New directors, upon appointment, will be briefed on the business and organisation structure of the Group to ensure that they are familiar with the Group's structure, businesses and operations. The directors may participate in seminars and/or discussion groups to keep abreast of the latest developments which are relevant to the Group. Directors also have the opportunity to visit the Group's operational facilities and meet with Management to gain a better understanding of the Group's business operations.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
	The Company has adopted a directors' training policy and has an on-going budget for all directors to attend appropriate courses, conferences and seminars for them to stay abreast of relevant business developments and outlook. These include programs run by the Singapore Institute of Directors or other training institutions.
	The Board is updated regularly on risk management, corporate governance, insider trading and the key changes in the relevant regulatory requirements and financial reporting standards, so as to enable them to properly discharge their duties as Board or Board Committee members.
	New releases issued by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the Accounting and Corporate Regulatory Authority which are relevant to the directors are circulated to the Board.
	The Company Secretary and Management inform the directors of upcoming conferences and seminars relevant to their roles as directors of the Company.
	Annually, the external auditors update the Audit Committee and the Board on new or revised financial reporting standards, in particular standards that could have a material impact on the Group's consolidated financial statements.
1.3	**Matters requiring Board's approval**
	The Company has formulated guidelines setting forth matters reserved for the Board's decision. The Management was also given clear directions on matters (including set thresholds for certain operational matters relating to subsidiaries) that require the Board's approval. In addition, the Board has adopted a set of internal controls which sets out approval limits for financial transactions conducted by the Company, investments, lending, borrowings, guarantees and cheque signatories' arrangements. Approval sub-limits are also provided at management levels to facilitate operational efficiency.
	Certain material corporate actions that require the Board's approval are as follows:- ● approval of quarterly corporate updates and half-yearly results announcements; ● approval of annual results and financial statements; ● recommendation of dividends; ● convening of shareholders' meetings; ● authorisation of material acquisitions/disposal of assets; ● authorisation of major transactions; and ● approval of internal audit report.
	The Board likewise reviews and approves all corporate actions for which shareholders' approval is required.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company
1.4	**Board Committees**

To facilitate effective management, certain functions have been delegated to various board committees, namely the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**"), each of whose members are drawn from members of the Board (together "**Board Committees**" and each a "**Board Committee**"). Each of these Board Committees has its own written terms of reference and its actions are reported to and monitored by the Board. The Chairman of the respective Committees reports to the Board with their recommendations. Minutes of the Board Committee meetings are available to all Board members. All the Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group. For a summary of the activities of the AC, the NC and the RC during FY2022, please refer to Provisions 10.1, 4.1 and 6.4 respectively below.

1.5 Board Meetings and Attendance

The Board meets regularly to oversee the business and affairs of the Group. The schedule of all the Board and the Board Committee meetings for the calendar year is given to all the directors well in advance. Besides the scheduled meetings, the Board has also held several informal discussions as and when required by specific circumstances, and as deemed appropriate by the Board members. The Company's Constitution allows a Board meeting to be conducted by means of telephone or similar communications equipment (which may include video conference). A record of the directors' attendance at formal meetings of Board and Board Committees for FY2022, as well as the frequency of such meetings, is set out in Table 1. Please also refer to Provision 4.5 below for further information regarding directors with multiple board representations.

1.6 Access to information

The members of the Board are provided with complete, adequate and timely information prior to Board meetings, and on an on-going basis. Requests for information by the Board are dealt with promptly by Management. The Board is informed of all material events and transactions as and when they occur. These include relevant information and explanatory notes on matters that are presented to the Board, such as budgets, forecasts and business models.

In relation to budgets, any material variance between projections and actual results are disclosed and explained. Timely updates on developments in accounting matters, legislation, government policies and regulations affecting the Group's business operations are provided to all directors.

1.7 Access to Management and Company Secretary

Management personnel who can provide additional insight into the matters at hand are invited to be present at the relevant time during a Board meeting. The Board has separate and independent access to the Group's senior management and the Company Secretary at all times. The Board seeks independent professional advice as and when necessary to enable it to discharge its responsibilities effectively. The directors, whether as a group or individually, may seek and obtain legal and other independent professional advice, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfill their roles and responsibilities as directors.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
	The Company Secretary attends and prepares minutes of all Board and Board committee meetings and is responsible for ensuring that Board procedures are followed and that the Company's Constitution and relevant rules and regulations are complied with. The Company Secretary assists the Chairman by preparing meeting agendas, attending Board and Board Committee meetings and preparing minutes of Board proceedings. Under the direction of the Chairman, the Company Secretary, with the support of the Management, ensures good information flows within the Board and the Board Committees and between senior management and Non-Executive Directors. The appointment and replacement of the Company Secretary is a matter for the Board.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provisions	**Corporate Governance Practices of the Company**
2.1	**Director Independence** The Board comprises 7 members, 4 of whom are Executive Directors ("**EDs**") and the remaining 3 are Non-Executive Independent Directors ("**NEIDs**") as at the date of this report. Independent directors make up at least one-third of the Board. A summary of the current composition of the Board and its committees is set out in Table 2. The NC, which reviews the independence of each director on an annual basis, adopts the Code's definition of what constitutes an independent director. An "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company. Rule 210(5)(d) of the Listing Manual of the SGX-ST also sets out circumstances under which a director will not be independent. Each independent director is required to provide an annual confirmation of his or her independence which is drawn up in accordance with the guidelines set out in the Code and submits the same to the NC for assessment and consideration. None of the NEIDs has a relationship with the Company, its related corporations, its substantial shareholders (holding 5% or more of the shares) or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company. None of the NEIDs has served on the Board for more than nine years.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company
2.2	**Independent directors make up a majority of the Board if Chairman is not independent**
	The Chairman of the Board and the Chief Executive Officer ("**CEO**") of the Company are separate persons. The Chairman is part of the management team and he is not an independent director. Where the Chairman is not independent, independent directors should make up a majority of the Board. In this regard, although independent directors do not make up a majority of the Board, more than one-third of the Board is made up of independent directors. As stated in Provision 2.4 below, the Directors consider that the Board's present size of 7 members is of the appropriate size and accordingly, no additional independent directors are proposed to be appointed in order for independent directors to make up a majority of the Board. In addition, the Board is of the view that the independent directors have demonstrated high commitment in their role as directors and have ensured that there is a good balance of power and authority. Please also refer to Provision 2.5 below on the role played by the NEIDs in ensuring that there is a strong and independent element on the Board.
	The Chairman provides leadership to the Board. Besides being responsible for board proceedings, the Chairman is also responsible for presenting the Board's views and decisions to the public. The CEO is responsible for the day-to-day running of the Group and ensures that the Board's decisions and strategies are translated to the working level.
2.3	**Non-executive directors make up a majority of the Board**
	Although less than a majority of the Board are non-executive directors, there is a clear division of roles and responsibilities between the Chairman (Mr. Michio Tanamoto), the CEO (Mr. Kenji Fukuyado) and the Executive Directors, namely Mr. Masahiro Iwabuchi and Mr. Yukihiro Toda, which ensures an appropriate balance of power between the Board, the Chairman, the CEO and the Executive Directors, thereby enhancing accountability and greater independent decision-making ability. The Chairman, the CEO and the Executive Directors are not related to each other. Please also refer to Provision 2.5 below on the role played by the NEIDs in ensuring that there are appropriate checks and balances in place. As stated in Provision 2.4 below, the Directors consider that the Board's present size of 7 members is of the appropriate size and accordingly, no additional non-executive directors are proposed to be appointed in order for non-executive directors to make up a majority of the Board.
2.4	**Board Composition**
	The Directors consider that the Board's present size of 7 members is of the appropriate size and with the right mix of skills, experience, gender and age diversity, taking into account the nature and the scale and scope of operations of the Group. The NC and the Board recognise the importance of an appropriate balance and diversity of industry knowledge, skills, backgrounds, experience and professional qualifications in building an effective Board. For this purpose, the NC reviews the Board's collective skills matrix regularly.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
	The Company values the benefits that diversity can bring to its Board as diversity promotes the inclusion of different perspectives and ideas, mitigates against group think and improves oversight, decision-making and governance. In this regard, the Board has adopted a board diversity policy with the aim of having a Board which is, amongst other things, characterised by a broad range of views arising from different professional experiences, skills, knowledge, gender, nationality, cultural and educational background when discussing business. Our board diversity policy incorporates measurable objectives relating to skills and experience, nationality and ethnicity (having regard to the diversified portfolio of the Group's businesses) and gender (which requires female representation). In addition to having Board members with professional accounting background, professional legal background, the Company also targets to have Board members who have working knowledge with one of the countries in which the Group operates either by way of their nationality or industry experience as well as female member.
	The current Board composition reflects the Company's commitment and targets to Board diversity. As a group, the directors bring with them a broad range of expertise and experience in areas such as accounting, law, finance, business and management, industry knowledge, strategic planning and customer-based experience and knowledge and are able to make positive contributions to the Company. The diversity of the directors' expertise and experience allows for the useful exchange of ideas and views. The biographies of all Board members are set out in the section entitled "Board of Directors".
	In its annual review, the NC is satisfied that the objectives of our board diversity policy continue to be met. At the same time, the NC and the Board acknowledge that improvements to board diversity practices are an on-going process and that skill-set and core competencies required of the Board may change over time as the businesses of the Group develop or transform.
2.5	**Meeting of Independent Directors without Management**
	The NEIDs constructively challenge and assist in development of proposals on strategy, assist the Board in reviewing the performance of Management in meeting agreed goals and objectives; and monitor the reporting of performance. Matters requiring the Board's approval are discussed and deliberated with participation of each Director and decisions are made collectively without any individual or small group of individuals influencing or dominating the decision-making process. Therefore, the Board is of the view that the current composition of the Board is sufficient for it to exercise objective and balanced judgement on corporate affairs. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined. The NEIDs, led by the Lead Independent Director, meet regularly during informal discussions which take place on the sidelines of Board meetings and the Annual General Meeting ("**AGM**") or, as the case may be, where warranted, without the presence of Management or the Executive Directors to review any matters that must be raised privately and the Lead Independent Director provides feedback to the Board and/or the Chairman as appropriate.

CORPORATE GOVERNANCE REPORT

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

<u>**Provisions**</u>	<u>**Corporate Governance Practices of the Company**</u>
3.1	**Separation of the roles of the Chairman and the CEO** The Chairman and the CEO are separate persons and their roles are segregated to ensure an appropriate balance and separation of power and authority, increased accountability and clear division of responsibilities. The Chairman and the CEO are not related. The Chairman, Mr. Michio Tanamoto provides leadership to the Board. Besides giving guidance on the corporate direction of the Group, the role of the Chairman includes the approving the agendas of Board meetings and ensuring accurate, adequate and timely flow of information between the Board, management and shareholders of the Company. Mr. Kenji Fukuyado, the CEO of the Company sets the business strategies and directions for the Group and manages the business operations of the Group. He is supported by Mr. Lim Kai Ching, the Group Chief Financial Officer ("**Group CFO**")and other management staff.
3.2	**Division of responsibilities between the Chairman and CEO** The Company has in place a policy paper on the division of responsibilities of Chairman and CEO. As Chairman, Mr. Michio Tanamoto, with the assistance of the Company Secretary and Management, schedules Board meetings as and when required and prepares the agenda for Board meetings. In addition, he sets guidelines on and ensures quality, quantity, accuracy and timeliness of information flow between the Board, Management and shareholders of the Company. He encourages constructive relations between the Board and Management and between the Executive Directors and the independent directors. He also takes a leading role in ensuring the Company's drive to achieve and maintain a high standard of corporate governance practices. As CEO, Mr. Kenji Fukuyado will be responsible for leading the management and staff of the Group in executing the strategies as approved by the Board.
3.3	**Lead Independent Director** The Board has appointed Mr. Lee Gee Aik, a NEID, as the Lead Independent Director. Mr. Lee Gee Aik will be available to address shareholders' concerns when contact through the normal channels of the Chairman, the CEO, or Management (including the Group CFO (or equivalent)) has failed to provide a satisfactory resolution or when such contact is inappropriate or inadequate.

CORPORATE GOVERNANCE REPORT

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provisions	**Corporate Governance Practices of the Company**
4.1	**Role of Nominating Committee**

The Board, in conjunction with the NC, reviews the composition of the Board and Board Committees annually, taking into account the performance and contribution of each individual director. Board composition is also evaluated to ensure diversity of skills, experience, gender and age are maintained within the Board and Board committees.

The principal functions of the NC stipulated in its terms of reference are summarised as follows:

(a) Reviews and makes recommendations to the Board on relevant matters relating to:-

- all board appointments and the appointment of chief executive officer, chief operating officer, group chief financial officer, managing directors (including senior managing directors) and relevant senior management staff;
- succession plans for directors, the Chairman and for key management personnel (including the CEO);
- process and criteria for performance evaluation of the Board, Board Committees and directors;
- board training and professional development programs; and
- the change in the management organisation structure at or above departmental level.

(b) Reviews the Board structure, size and composition and makes recommendations to the Board with regards to any adjustments that are deemed necessary;

(c) Determines if a director is independent on an annual basis and as and when circumstances require;

(d) Makes recommendations to the Board for the continuation (or not) in services of any Executive Director who has reached the age of sixty (60) or more, where appropriate;

(e) Assesses the effectiveness of the Board and the academic and professional qualifications of each individual director; and

(f) Reviews and recommends directors retiring by rotation for re-election at each AGM.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**

Summary of Nominating Committee's activities in 2022

- Reviewed the Board's composition and size, Director's tenure, competencies and outside commitments, Board and Committee training, nomination of directors for re-election and the promotion of senior executives (if any) and succession planning.
- Reviewed the major themes arising from the annual Board Committees and Board performance review process and considered whether any aspects of the Board's oversight framework could be strengthened.
- Reviewed the Director's independence criteria and assessment process.
- Reviewed diversity targets, plans and progress against the objectives set out in our board diversity policy.
- Oversight of directors' training and professional development programs, including sustainability training of all directors as prescribed under listing rules.

4.2 Composition of Nominating Committee

The NC, regulated by a set of written terms of reference, comprises three members, all of whom, including the Chairman, are NEIDs. The lead independent director is a member of the NC. The names of the members of the NC are disclosed in Table 2.

4.3 Board renewal and succession planning

The NC is responsible for identifying and recommending new board members to the Board, after considering the relevant and desirable competencies of the candidates which include: (i) academic and professional qualifications; (ii) industry experience; (iii) number of other directorships; (iv) relevant experience as a director; and (v) ability and adequacy in carrying out required tasks.

The NC leads the process for Board appointments/re-appointments and makes recommendations to the Board. The integrated process of appointment/re-appointment includes:

(i) developing a framework on desired competencies and diversity of the Board;

(ii) assessing current competencies and diversity of the Board;

(iii) developing desired profiles of new directors;

(iv) initiating search for new directors including external search, if necessary;

(v) shortlisting and interviewing potential director candidates;

(vi) recommending appointments and retirements to the Board; and

(vii) re-election at general meeting.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**

In accordance with the Constitution, at each AGM, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third), selected in accordance with Article 95, shall retire from office by rotation (in addition to any Director retiring pursuant to Article 100). In addition, all directors, including Executive Directors, must submit themselves for re-nomination and re-appointment at least once every three years in accordance with Rule 720(5) of the SGX-ST Listing Rules (Mainboard).

All newly appointed directors will have to retire at the next AGM following their appointments. The retiring directors are eligible to offer themselves for re-election. The following directors will retire by rotation at the forthcoming AGM and have been re-nominated for re-election:

i. Mr. Yukihiro Toda (Retiring under Article 94)
ii. Mr. Lee Gee Aik (Retiring under Article 94)

The NC has recommended the nomination of the directors retiring by rotation for re-election at the forthcoming AGM. The Board has accepted the NC's recommendation and accordingly, the above-mentioned directors will be offering themselves for re-election at the forthcoming AGM.

The profile of all Board members is set out in the section entitled 'Board of Directors'. The date of the directors' initial appointment and last re-election and their directorships/principal commitments are disclosed in Table 3. Except as disclosed in Table 3, there were no other directorships or chairmanships held by the directors over the preceding three years in other listed companies.

4.4 Circumstances affecting Director's independence

The NC determines the independence of each director annually, and as and when circumstances require, based on the definitions and guidelines of independence as set forth in Provision 2.1 above. The Board, after taking into consideration the views of the NC, is of the view that Mr. Lee Gee Aik, Mr. Chan Kam Loon and Ms. Juliana Lee Kim Lian are independent. Please also refer to Provision 2.1 above for further information on the declaration of independence submitted by the independent directors to the NC for assessment and consideration.

4.5 Multiple listed company directorships and other principal commitments

Where a director has multiple board representations, the NC also considers whether or not the director is able to and has adequately carried out his duties as a director of the Company. The NC is satisfied that sufficient time and attention are being given by the directors to the affairs of the Company, notwithstanding that some of the directors have multiple board representations. Please refer to Table 3 for further information on the directorships and principal commitments of each director.

The NC, with the concurrence of the Board, has decided not to fix a limit on the number of board representations of each director as it considers that the board representations presently held by its directors do not impede the performance of their duties to the Company. No alternate director has been appointed to the Board.

The NC also ensures that new directors are aware of their duties and obligations. Please also refer to Provision 1.2 above on the induction, training and development provided to new directors.

CORPORATE GOVERNANCE REPORT

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions	Corporate Governance Practices of the Company
5.1	**Assessment of effectiveness of the Board and Board Committees and assessing the contribution by individual directors**
	The Board has, through the NC, implemented an annual evaluation process to assess the effectiveness of the Board and the Board Committees as well as assessing the contributions by the Chairman and each individual director to the effectiveness of the Board. The NC is also responsible for recommending, for the Board's approval, how the Board's and Board Committees' performance as well as the performance of each individual director may be evaluated (including the objective performance criteria) and considers practical methods to assess the efficiency and effectiveness of the Board and Board Committees (as well as each individual director).
5.2	The NC has adopted a formal system of evaluating the Board, annually. A Board performance evaluation was carried out and the assessment parameters include evaluation of the Board's composition, size and diversity, Board processes and procedures, Board accountability, evaluation and succession planning. The annual evaluation exercise also provides an opportunity to obtain constructive feedback from each director on whether the Board's procedures and processes had allowed him to discharge his duties effectively and to propose changes which may be made to enhance the Board effectiveness as a whole.
	For the year under review, the NC assessed the efficiency and effectiveness of the Board Committees in assisting the Board based on the assessment criteria which include amongst others, the Board Committees' composition and size, sufficient expertise and useful recommendations in assisting the Board for better decision-making, the interaction among committee members, reporting to the Board and record of minutes.
	For the year under review, there was also a self-appraisal to evaluate each director's performance and contribution. Self-appraisal forms were sent to the directors for completion and the results were reviewed by the NC and the Board. Factors which were taken into account include readiness to contribute at meetings of Board and Board Committees, contribution of effort such as preparedness, being informed and having sufficient knowledge of the Company's business, personal working relationships with fellow directors as well as the most pleasing and the least satisfactory aspect of individual director's performance. Additionally, the process to the re-nomination of Directors for the current year takes into account their attendances, commitment of time and contributions made at meetings of Board and Board Committees as well as general meetings.
	No external facilitators were used in the assessment of the Board as a whole, its Board Committees and the individual directors.

CORPORATE GOVERNANCE REPORT

REMUNERATION MATTERS

Procedures for developing remuneration policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provisions	Corporate Governance Practices of the Company

6.1 Remuneration Committee to recommend remuneration framework and packages

The principal function of the RC is to ensure that a formal and transparent procedure is in place for fixing the remuneration framework for the Board and key management personnel of the Group.

Under its terms of reference, the RC is responsible for reviewing and recommending a remuneration framework for the Board and the Company's key management personnel. All remuneration matters are ultimately approved by the Board.

The functions of the RC include as follows:

(a) to review periodically and recommend to the Board an appropriate framework of remuneration practices to attract, retain and motivate management staff to achieve increased performance and manage the Group successfully;

(b) to review and recommend key management personnel's remuneration package and that of the Executive Directors;

(c) to administer the Uni-Asia Group Performance Share Plan as further described in Provision 7.1 below; and

(d) to review the Company's obligations arising in the event of termination of the Executive Directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, if any.

The RC's considerations and recommendation for the fee framework of NEIDs had been made in consultation with the Chairman of the Board and had been endorsed by the entire Board, following which the recommendation is tabled for shareholders' approval at the Company's AGM. No member of the RC or the Board participated in the deliberation of his own remuneration.

6.2 Composition of Remuneration Committee

The RC, regulated by a set of written terms of reference, comprises three members, all of whom are independent. The names of the members of the RC are disclosed in Table 2.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
6.3	**Remuneration Committee to consider and ensure all aspects of remuneration are fair**

The RC considers all aspects of remuneration, namely, director's fees, salaries, allowances, bonuses, share-based incentives and awards, other benefits-in-kind and termination terms, to ensure that they are fair. The remuneration packages of the Executive Directors and certain key management personnel are based on their respective service agreements. The service agreements of the Executive Directors are for a period of three years, and include a bonus sharing scheme that is performance related to align their interests with those of shareholders. There are no onerous compensation commitments on the part of the Company in the event of an early termination of the service of the Executive Directors.

6.4 Expert advice on remuneration

The RC may from time to time, and where necessary or required, engage external consultants in framing the remuneration policy and determining the level and mix of remuneration for directors and key management. Amongst other things, this helps the Company to stay competitive in its remuneration packages. For FY2022, the Company appointed Management Resources Consultants (S) Pte. Ltd. ("**MRC**") as consultants to the Company in undertaking a remuneration benchmarking exercise for executive directors. The Company and all its directors do not have any relationship with MRC which would affect its independence and objectivity.

In its deliberations on remuneration matters, the RC takes into consideration the findings set out in the remuneration benchmarking report, industry practices and norms in compensation in addition to the Group's relative performance to the industries it operates in as well as the employment conditions within those industries and the performance of the individuals. There is a contractual provision in the respective service agreements of the Executive Directors for the Company to reclaim incentive components in certain exceptional circumstances.

Summary of Remuneration Committee's activities in 2022

- Reviewed the remuneration level for Executive Chairman, Chief Executive Officer and Executive Directors.
- Reviewed the remuneration level for Independent Non-Executive Directors.
- Agreed with the remuneration packages for the senior executives.
- Formulated and agreed on the scope of the executive remuneration benchmarking exercise and reviewed the report thereto.
- Reviewed the criteria for the grant of share awards under the Uni-Asia Group Performance Share Plan.
- Reviewed the service agreement of Executive Directors due for renewal.

CORPORATE GOVERNANCE REPORT

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provisions	Corporate Governance Practices of the Company
7.1 & 7.3	**REMUNERATION POLICY IN RESPECT OF EXECUTIVE DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL**

Remuneration of Executive Directors and key management personnel are appropriately structured to link rewards to performance

The remuneration of the Company's directors and key management personnel has been formulated to attract, retain and motivate individuals the Group relies on to provide good stewardship to the Company, deliver its business strategy and create long-term value for its shareholders. The RC believes that fair performance-related pay should motivate good corporate and individual performance and that rewards should be closely linked to and commensurate with it. The remuneration packages of key management personnel as well as the Executive Directors include an appropriate variable bonus component which is performance-related, and also performance shares which have been designed to align their interests with those of the shareholders. The proportion of the variable bonus component as compared to the overall remuneration package of the key management personnel and the Executive Directors (and whether it amounts to a significant proportion) is a function of whether the performance targets are met or exceeded.

The Chairman is consulted by the RC on matters relating to the other Executive Directors and key management personnel who report to him on matters relating to the performance of the Company. He duly abstained from participation in discussions and decisions on his own remuneration.

From time to time where appropriate and at the renewal of the service agreements, the RC reviews the service contracts of the Company's Executive Directors and key management personnel. The compensation commitments in service contracts are reviewed periodically and notice periods for termination are also reviewed to ensure that they are not excessively long. The Company has entered into separate service agreements with the Executive Directors.

SHARE INCENTIVE SCHEME

The Company has a share incentive scheme known as the Uni-Asia Group Performance Share Plan (the "**PSP**"). The Company had, pursuant to an ordinary resolution on 24 March 2017, approved and adopted the PSP. The adoption of the PSP was also approved at an extraordinary general meeting of Uni-Asia Holdings Limited held on 28 April 2017.

The PSP is administered by the PSP Committee (a sub-committee of the RC), which shall comprise the following directors of the Company (including directors who may be participants of the PSP):

(a) Ms. Juliana Lee Kim Lian;
(b) Mr. Lee Gee Aik;
(c) Mr. Chan Kam Loon;
(d) Mr. Michio Tanamoto; and
(e) Mr. Masahiro Iwabuchi.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
	No share awards were granted under the PSP in FY2022. Further details of the PSP are set out below:

The PSP will increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees of the Group to achieve increased performance. The PSP will also further strengthen the Company's competitiveness in attracting and retaining superior local and foreign talent.

Any employee of the Group shall be eligible to participate in the PSP. Controlling shareholders (as defined in the Listing Manual of the SGX-ST (the "**Listing Manual**")) of the Company or associates (as defined in the Listing Manual) of such controlling shareholders are not eligible to participate in the PSP.

The number of shares which are the subject of each award to be granted to a participant in accordance with the PSP ("**PSP Shares**") shall be determined at the absolute discretion of the PSP Committee, which shall take into account such criteria as it considers fit, including (but not limited to) his rank, job performance, years of service and potential for future development, his contribution to the success and development of the Group and the extent of effort and difficulty with which the performance condition(s) may be achieved within the performance period.

Awards granted under the PSP are principally performance-based with performance targets to be set over a performance period and may vary from one performance period to another performance period and from one grant to another grant. Performance targets set by the PSP Committee are intended to be based on the overall performance of the Group and may include corporate objectives covering business growth, growth of recurrent income and productivity growth. Such performance targets and performance periods will be set according to the specific roles of each participant, and may differ from participant to participant. The performance targets are stretched targets aimed at sustaining long term growth.

The release of PSP shares is at the discretion of the PSP Committee. PSP shares will be released to participants after the PSP Committee has reviewed performance and the extent to which targets have been met. Release to individual participants is conditional on the maintenance of their own personal performance as determined by the PSP Committee.

The Company will deliver shares to participants upon vesting of their awards by way of either (i) an allotment of shares; or (ii) a transfer of shares (which may include shares held by the Company as treasury shares). In determining whether to allot shares to participants upon vesting of their awards, the Company will take into account factors such as (but not limited to) the number of shares to be delivered, the prevailing market price of the shares and the cost to the Company of allotting new shares or transferring existing shares.

The total number of shares over which the PSP Committee may grant new awards on any date, when added to:

(1) the total number of new shares allotted and issued and/or to be allotted and issued and issued shares (including treasury shares) delivered and/or to be delivered, pursuant to awards already granted under the PSP;

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company

(2) the total number of shares subject to any other share option or share schemes of the Company; and

(3) the total number of new ordinary shares of Uni-Asia Holdings Limited allotted and issued and issued ordinary shares of Uni-Asia Holdings Limited (including treasury shares) delivered, pursuant to awards already granted under the Uni-Asia Performance Share Plan,

shall not exceed 15% of the total number of issued shares (excluding shares held by the Company as treasury shares) on the date preceding the date of the relevant new award.

The PSP shall continue to be in force at the discretion of the PSP Committee until 28 April 2025 (being the maximum term under the Uni-Asia Performance Share Plan), provided always that the PSP may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The PSP is considered a share-based payment that falls under IFRS 2 where participants will receive shares and the awards would be accounted for as equity-settled share-based transactions.

7.2 POLICY IN RESPECT OF NON-EXECUTIVE DIRECTORS' REMUNERATION

Remuneration of Non-Executive Directors dependent on contribution, effort, time spent and responsibilities.

In reviewing the recommendation for Non-Executive Independent Directors' remuneration for FY2022, the RC had continued to adopt a framework of base fees for serving on the Board and Board Committees, as well as fees for chairing Board Committees. The fees take into consideration the level of contribution of each Board member, including their responsibilities and the amount of time and effort that each Board member may be required to devote to their role.

	S$
Base fee of Directors	50,000
AC Chairman	15,000
AC Member	10,000
NC/RC Chairman	5,000
NC/RC Member	2,500
Lead Independent Director	2,500

Fees for Non-Executive Independent Directors are subject to the approval of shareholders at the AGM. Executive Directors and representative/nominee directors appointed by substantial shareholders to represent them on the Board of the Company do not receive Directors' fees. At the forthcoming AGM, the Company is seeking shareholders' approval for a one-off additional directors' fees aggregating S$30,000 to be paid to our Non-Executive Independent Directors in recognition of their work and contribution to the Group for the past years and especially in FY2022.

CORPORATE GOVERNANCE REPORT

DISCLOSURE OF REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provisions	Corporate Governance Practices of the Company
8.1	**LEVEL AND MIX OF REMUNERATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL (WHO ARE NOT ALSO DIRECTORS OR THE CEO) FOR THE YEAR ENDED 31 DECEMBER 2022.** **Remuneration disclosures of Directors and key management personnel; Details of employee share schemes** The Company takes cognizance of new listing rules relating to disclosure of remuneration of directors and chief executive officers effective for annual reports prepared for the financial years ending on or after 31 December 2024. For FY2022 Annual Report, the Company has adopted remuneration disclosure of our directors and CEO using a narrow band of S$100,000 for greater transparency with a detailed breakdown in percentage terms of base or fixed salary, cash performance bonus and benefits-in-kind. The compensation structure for the key management personnel (who are not directors or the CEO), of the Company and the Group subsidiaries are disclosed in bands of S$250,000 with also a detailed breakdown in percentage terms of base or fixed salary, cash performance bonus and benefits-in-kind. There were no share-based incentives or long-term incentives awarded to our directors, CEO or key management personnel for FY2022. Table 4 and Table 4A set out the breakdown of the remuneration of the directors (including the CEO) and the top five key management personnel (who are not directors or the CEO), respectively, as well as the total remuneration paid to these key management personnel in aggregate, for FY2022. Please also refer to Provisions 7.1 and 7.2 above for further details on the Company's policy and criteria for setting remuneration.
8.2	**REMUNERATION OF EMPLOYEES WHO ARE SUBSTANTIAL SHAREHOLDERS OF THE COMPANY, OR ARE IMMEDIATE FAMILY MEMBERS OF A DIRECTOR, THE CEO OR A SUBSTANTIAL SHAREHOLDER OF THE COMPANY** **Remuneration disclosures of related employees** There are no substantial shareholders of the Company, or immediate family member (defined in the Listing Manual as the spouse, child, adopted child, step-child, brother, sister and parent) of a director, the CEO or a substantial shareholder, in the employment of the Company whose annual remuneration exceeded S$100,000 during FY2022.
8.3	All forms of remuneration and other payments and benefits to directors and key management personnel of the Group are disclosed in Table 4 and Table 4A. The Company has a share incentive scheme known as the "Uni-Asia Group Performance Share Plan". Further details of the PSP, including the key terms of the PSP, are set out above under "Share Incentive Scheme".

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provisions	Corporate Governance Practices of the Company
9.1	**Board determines the nature and extent of risks**

The Group's system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives. It can only provide reasonable and not absolute assurance against material misstatement or loss. During the year, the AC, on behalf of the Board and through the assistance of internal and external auditors, had reviewed the effectiveness of the Group's internal control systems as well as its financial, operational, compliance and information technology controls, and risk management systems. The process used by the AC to monitor and review the effectiveness of the system of internal controls and risk management includes:-

(i) discussions with management on risks identified by management;

(ii) the audit processes;

(iii) the review of internal and external audit plans; and

(iv) the review of significant issues arising from internal and external audits.

The Group has an Enterprise Risk Management ("**ERM**") Framework (the "**ERM Framework**"), which governs the risk management process in the Group. Through this framework, risk capabilities and competencies would be continuously enhanced. The ERM Framework also enables the identification, prioritisation, assessment, management and monitoring of key risks to the Group's business. The risk management process in place covers, *inter alia*, financial, operational, compliance and information technology risks faced by the Group. The key risks of the Group are deliberated by Management and reported to the AC. The AC periodically reviews the ERM Framework with Management to ensure it remains adequate, effective and relevant vis-a-vis evolving internal and external environment in which the Group operates.

Complementing the ERM framework is a Group-wide system of internal controls, which includes a code of conduct and ethics, documented policies and procedures, proper segregation of duties, approval procedures and authorities, as well as checks-and-balances built into the business processes.

To ensure that internal controls and risk management processes are adequate and effective, the AC is assisted by various independent professional service providers. External auditors provide reasonable assurance on the true and fair presentation of the Group's financial statements. Internal auditors provide assurance that controls over the key risks of the Group are adequate and effective.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
	The Board is responsible for ensuring that management maintains a sound system of internal controls to safeguard shareholders' investment and the Group's assets. For FY2022, based on (i) the Group's framework of management controls, (ii) the internal control policies and procedures established and maintained by the Group as well as (iii) the regular audits, monitoring and reviews performed by the internal and external auditors, the Board, with the concurrence of the AC, is of the opinion that the systems of internal controls (including the financial, operational, compliance and information technology controls) and risk management within the Group that has been maintained by the Group's management and that was in place throughout the financial year are adequate and effective.
	The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss, due to errors, fraud or irregularities.
	Any material non-compliance and internal control weaknesses noted during the internal audit and the recommendations thereof are reported to the AC as part of the review of the Group's internal control system. No material internal control weaknesses were identified during the financial year.
	The Company has not put in place a Risk Management Committee. However, the Management has in place a financial risk management policy and regularly reviews the Company's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. Management reviews all significant control policies and procedures and highlights all significant matters to the directors and AC. The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. Details of the Group's risk management policy are set out in Note 28 "Financial Risk Management" of the Notes to the Consolidated Financial Statements.
9.2	**Assurance from CEO, Group CFO and other key management personnel**
	The Board has received assurance from (a) the CEO and the Group CFO that the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

Provisions	**Corporate Governance Practices of the Company**
10.1	**Duties of Audit Committee**

The AC performs the following functions:

(a) reviews the annual and quarterly financial statements of the Company and the Group before submission to the Board for adoption (including the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements and any announcements relating to the Company and the Group's financial performance);

(b) reviews with the internal and external auditors, their audit plans and audit reports;

(c) reviews the cooperation given by the Company's officers to the external auditors;

(d) reviews the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;

(e) reviews at least annually the adequacy and effective of the Company's internal controls and risk management systems;

(f) reviews the assurance from the CEO and the Group CFO on the financial records and financial statements;

(g) reviews interested person transactions and transactions falling within the scope of Chapter 10 of the Listing Manual;

(h) nominates and reviews the appointment or re-appointment of external auditors;

(i) make recommendations to the Board on the remuneration and terms of engagement of external auditors;

(j) reviews the independence of the external auditors annually;

(k) reviews the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;

(l) undertakes such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC; and

(m) undertakes such other functions and duties as may be required by statute or the Listing Manual and by such amendments made thereto from time to time.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company

Whistleblowing Policy. The Group has put in place a whistleblowing policy where employees of the Group may, in confidence, raise concerns regarding possible corporate improprieties in matters of financial reporting and other matters. The policy establishes a confidential line of communication for the report of issues/concerns to any one of the AC members and/or the Company Secretary and provides for the protection of those who raise a concern in good faith against harassment or victimization. The complainant's identity shall also be kept confidential to the extent reasonably practical within the limits of the law.

The AC is the custodian of the policy and responsible for the overall oversight and monitoring of the policy and its implementation. The policy sets out the procedures and processes by which the AC assesses and reviews (in consultation with the Board of Directors and/or Management where appropriate or necessary) the nature of the complaint, the appropriate independent investigation to be conducted, the outcome of such investigation and the followed-up action to be taken. There was no reported incident pertaining to the whistleblowing policy in FY2022.

The whistleblowing policy is communicated to all employees of the Group.

In performing its functions, the AC:

(i) has met with the internal and external auditors, without the presence of management, at least once a year;

(ii) has explicit authority to investigate any matter within its terms of reference;

(iii) has had full access to and cooperation from Management and has full discretion to invite any director and executive officer to attend its meetings; and

(iv) has been given reasonable resources to enable it to discharge its functions properly.

The Management of the Company (including but not limited to the Executive Directors and Group CFO) attends all meetings of the AC on invitation.

The AC reviews annually the non-audit services provided by external auditors and determines whether the provision of such services affects their independence. The breakdown of fees (audit and non-audit services) paid to auditors are set out in Note 20 "Other Expenses" of the Notes to the Consolidated Financial Statements.

Having reviewed the nature and extent of non-audit services rendered by the external auditors to the Company for the year ended 31 December 2022, the AC is of the opinion that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

Ernst & Young LLP has served as auditors of the Group since 2008. At the forthcoming AGM, the Company will be seeking shareholders' approval for the proposed change of auditors from Ernst & Young LLP to KPMG LLP. The detailed background and rationale for the proposed change in auditors are set out in the Appendix to the Notice of AGM. After evaluating the reasons and factors set out in the Appendix, the AC recommends the appointment of KPMG LLP as external auditors at the AGM of the Company upon the retirement of Ernst & Young LLP.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**

The AC places on record its appreciation and gratitude to Ernst & Young LLP for its past years of service.

Summary of Audit Committee's activities in 2022

(i) reviewed the financial statements of the Company and the Group before the announcement of half-year and full-year results, as well as quarterly corporate updates;

(ii) together with the CEO and Group CFO and where applicable, the external auditors, reviewed the key areas of Management's judgement applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have a material impact on the financials;

(iii) reviewed the scope and results of the external audit, the independence and objectivity of the external auditors of the Group, and in this regard, also reviewed the nature and extent of any non-audit services provided by the external auditors;

(iv) reviewed the independence and objectivity of the internal and external auditors through discussions with the internal and external auditors;

(v) reviewed the appointment of different external auditors for its subsidiaries;

(vi) evaluated proposed change of external auditors;

(vii) reviewed the accounting, auditing and financial reporting matters so as to ensure that an effective system of control is maintained in the Group;

(viii) assessed the role and effectiveness of the internal audit function in the overall context of the Group's internal controls and risk management systems, and considered the results of their review and evaluation of the Group's internal controls;

(ix) reviewed interested party transactions;

(x) reviewed with the CEO, Group CFO and external auditors on the changes to accounting standards and issues which are relevant to the Group and have a direct impact on the Group's financial statements; and

(xi) reviewed the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2022 as well as the Independent Auditors' Report thereon before submitting them to the Board for its approval.

In the event that a member of the AC is interested in any matter being considered by the AC, he will abstain from reviewing that particular transaction or voting on that particular resolution.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**

Financial Reporting Matters

In the review of the balance sheet of the Company and the consolidated financial statements of the Group, the AC discussed with management the accounting principles that were applied and also considered the appropriateness of the critical accounting estimates and judgements made in the preparation of the financial statements. The following significant matters impacting the financial statements were discussed with management and the external auditor and were reviewed by the AC:

Matters Considered	Action
Fair valuation of investment properties and unlisted investments in commercial office and industrial buildings, as well as small residential property developments.	The AC met with management to consider the approach and methodology adopted for the valuation models used for fair valuation of investments including the reasonableness of cash flow forecasts and discount rates used in the valuation models. The AC also discussed with the external auditors their review of the reasonableness and relevance of methodology and assumptions used in valuation models. The above procedures provided the AC with reasonable assurance on the approach and conclusion drawn by management on these matters. The external auditor has included these items as key audit matters in its audit report for the financial year ended 31 December 2022.

Following the review and discussions, the AC recommended to the Board to approve the financial statements for FY2022.

Rule 1207(6) and Rules 712 and 715 and/or Rule 716 of the SGX-ST Listing Manual	The Board and AC have reviewed the appointment of different external auditors for some of its subsidiaries and significant associated companies and were satisfied that such appointment would not compromise the standard and effectiveness of the audit of the Group and that Rule 716 of the Listing Manual has been complied with. Refer to Note 25 "Investment in subsidiary" of the Notes to the Consolidated Financial Statements for the subsidiaries audited by different external auditors. In appointing the audit firms for the Company, its subsidiaries and significant associated companies, the Audit Committee and the Board are satisfied that the Group has complied with Listing Rules 712, 715 and 716.
10.2	**Composition of Audit Committee** The AC, regulated by a set of written terms of reference, comprises three members all of whom are non-executive independent directors. The names of the members of the AC are disclosed in Table 2. The AC has two members namely, Mr. Lee Gee Aik (being the AC Chairman) and Mr. Chan Kam Loon, who have recent and relevant accounting or related financial management expertise or experience.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company
10.3	**Audit Committee does not comprise former partners or directors of the Company's auditing firm** None of the AC members were previous partners or directors of the Company's existing auditing firm or auditing corporation within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation and none of the AC members hold any financial interest in the auditing firm or auditing corporation.
10.4	**Primary reporting line of the internal audit function is to Audit Committee; Internal audit function has unfettered access to Company's documents, records, properties and personnel.** The Group has an in-house internal auditor discharging the internal audit function. The in-house internal auditor reports directly to the AC. The AC reviews and approves the annual audit plan and resources to ensure that the internal auditor has the necessary resources to adequately perform her duties. The AC also decides on the appointment, termination and remuneration of internal audit professionals, if any. The AC has reviewed the adequacy and effectiveness of the internal audit function and is satisfied that the internal audit function is independent, effective and adequately resourced, has unfettered access to all the Group's documents, records, properties and personnel, including the AC, and has appropriate standing within the Company. The AC is satisfied that the internal audit function is staffed by suitably qualified and experienced professionals. In particular, the Chief Internal Auditor of the Group, Ms. Chiaki Yamamoto is a member of The Institute of Internal Auditors ("**IIA**") Singapore, IIA Japan, and a Certified Fraud Examiner ("**CFE**") as certified by the Association of Certified Fraud Examiner in USA. The profile of Ms. Yamamoto is set out in the section titled "Key Management". The internal auditor plans its internal audit schedules in consultation with the AC. The audit plan is submitted to the AC for approval prior to the commencement of the internal audit work. In addition, the internal auditor may be involved in ad-hoc projects initiated by the Management in consultation with the AC which require the assurance of the internal auditor in specific areas of concerns. The AC reviews the activities of the internal auditor on a regular basis, including overseeing and monitoring the implementation of the improvements required on internal control weaknesses identified. The internal auditor conducted an annual review of the effectiveness of the Group's risk management and key internal control systems, including financial, operational, compliance and information technology controls, and risk management. Any material non-compliance or lapses in internal controls, together with recommendation for improvement, are reported to the AC. A copy of the report is also issued to the relevant department for its follow-up action. The timely and proper implementation of the required corrective, preventive or improvement measures are closely monitored.
10.5	**Audit Committee meets with the auditors without the presence of Management annually** Annually, the AC meets (physically or via teleconference) separately with the internal and external auditors without the presence of Management.

CORPORATE GOVERNANCE REPORT

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provisions	Corporate Governance Practices of the Company
11.1	**Company provides shareholders with the opportunity to participate effectively and vote at general meetings** Management supported the Code's principle to encourage shareholder participation. Shareholders are encouraged to attend the AGM to ensure a high level of accountability and to stay informed of the Company's strategy and goals. Notice of the general meeting is despatched to shareholders, together with explanatory notes or a circular on items of special business (if necessary), at least 14 days or 21 days, as the case may be, before the general meeting. The Board welcomes questions from shareholders who have an opportunity to raise issues either informally or formally before or at the general meeting. In general meetings, shareholders are given the opportunity to communicate their views and direct questions to Directors and Management regarding the Company. The Chairpersons of Board Committees are present at the AGM and other general meetings of shareholders, to assist the Board in addressing shareholders' questions. At every AGM, the Company is likely to present a review on the Group's financial results and its business outlook to shareholders. Shareholders have the opportunity to participate effectively and to vote in the AGM either in person or by proxy. Shareholders are also informed of the rules, including the voting procedures that govern general meetings. The Board views the AGM as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues pertaining to the proposed resolutions and/or ask the directors or the Management questions regarding the Company and its operations. In accordance with Rule 730A(2) of the Listing Manual and to have greater transparency in the voting process, the Company has conducted the voting of all its resolutions by poll at all of its general meetings. The detailed voting results of each of the resolutions tabled are announced on the same day after the meetings. The total numbers of votes cast for or against the resolutions are also announced after the meetings via SGXNET.
11.2	**Separate resolution on each substantially separate issue** Resolutions to be passed at general meetings are always separate and distinct in terms of issue and are consistent with the Code's recommendation that companies avoid 'bundling' resolutions unless the resolutions are interdependent and linked so as to form one significant proposal.

CORPORATE GOVERNANCE REPORT

Provisions	**Corporate Governance Practices of the Company**
11.3	**All Directors attend general meetings**
	All directors will be in attendance at the Company's AGM to address shareholders' questions relating to the work of the Board and Board Committees.
	The Company's external auditors, Ernst & Young LLP, have also been invited to attend the AGM and will be available to assist the directors in addressing any relevant queries by the shareholders relating to the conduct of the audit and the preparation and content of the auditors' report.
	All directors attended the Company's last AGM in FY2022 via electronic means on 30 April 2022.
11.4	**No proviso in Company's Constitution for absentia voting of shareholders**
	Under the Company's Constitution and pursuant to the Companies Act 1967 of Singapore (the "**Companies Act**"), a relevant intermediary (as defined in the Companies Act) may appoint more than two proxies to attend AGMs and any other general meeting. A registered shareholder who is not a relevant intermediary may appoint up to two proxies. The Company is not implementing absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other issues are satisfactorily resolved. Accordingly, the Company's Constitution does not currently expressly provide for such absentia voting methods at general meetings of shareholders.
11.5	**Minutes of general meeting are published on the Company's corporate website**
	Questions, comments received from shareholders and responses from the Board and Management were recorded in the minutes of general meetings.
	In view of the requirements of Covid-19 (Temporary Measures) (Alternative Arrangements For Meetings For Companies') Order 2020, the Company had published the minutes of its 2022 Annual General Meeting on SGXNET and the Company's website within one month after the date of the meeting.
11.6	**Dividend policy**
	The Company's dividend policy seeks to balance dividend return to shareholders with the need for long-term sustainable growth whilst aiming for an efficient capital structure.
	When deciding on dividend to be paid, the Board takes into account the Company's earnings, the Group's financial position, capital expenditure requirements, future expansion and investment plans and other relevant factors as may be determined by the Board.
	The Group recorded US$27.9 million profit for FY2022. A final one-tier tax exempt dividend of S$0.03 per share and a special one-tier tax exempt dividend of S$0.05 per share have been proposed.

CORPORATE GOVERNANCE REPORT

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provisions	**Corporate Governance Practices of the Company**
12.1	**Company provides avenues for communication between the Board and shareholders** The Company is committed to regular and timely communication with shareholders as part of the organisation's development to build systems and procedures that will enable the Group to compete internationally. The Company places great emphasis on investor relations and strives to maintain a high standard of transparency and to promote better investor communications. It aims to provide investors with clear, balanced and useful information, on a timely basis, about the Group's performance, financial position and prospects. The Board views the AGM as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues pertaining to the proposed resolutions and/or ask the directors or the Management questions regarding the Company and its operations.
12.2	**Company has in place an investor relations policy and the policy sets out mechanism of communication between the shareholders and the Company** The Company has put in place an investor relations ("**IR**") policy to promote regular and proactive communication with its shareholders. The Company keeps its website updated and maintains dedicated IR section for shareholders' convenience. All the announcements disclosed through SGXNET are also posted on the Company's website. The Company conducts briefings regularly for the media, analysts, brokers and fund managers, with the presence of key management personnel. Briefings for investors are held in conjunction with the release of the Company's quarterly corporate updates, semi-annual results and full year results, with the presence of the Executive Chairman, CEO, Group CFO, the Executive Directors and/or the key management personnel to answer the relevant questions which the investors may have. In addition, the Company has appointed a professional investor relations firm to promote effective and fair communication with shareholders. Any questions from shareholders could either be raised to the investor relations firm or the Company to be addressed by the Executive Chairman, CEO, Group CFO and/or Management.
12.3	It is the Board's policy that shareholders be informed of all major developments within the Group. Price-sensitive information and results are released to the public through SGXNET on a timely basis in accordance with the requirements of the SGX-ST. The Company does not practice selective disclosure. The steps taken to solicit and understand the views of shareholders are disclosed under "Investor Relations" on Page 34 of this annual report. In particular, shareholders could contact the Company's investor relations officers directly with questions and the Company may respond to such questions through such officers. The contact details of such officers are also set out under "Investor Relations".

CORPORATE GOVERNANCE REPORT

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provisions	Corporate Governance Practices of the Company
13.1	**Engagement with material stakeholder groups** The Company has appropriate channels in place to identify and engage with its key stakeholder groups. The Company recognises the importance of understanding the Group's businesses and regular interactions with key stakeholders to determine material issues for the Group's businesses. In 2021, the Company engaged both internal and external stakeholders to validate ESG (as defined in the following page) material topics and issues deemed relevant to the Group. While the stakeholder engagement was performed in 2021, it remains relevant as it had aided the Group in the feedback and validation process as the Group furthered its materiality process in FY2022 to stay updated with the evolving sustainability landscape. In this regard, in FY2022, the Group conducted a "materiality assessment refresh" to align the new GRI (as defined in the following page) 2021 requirements (which the Group based its material assessment on) and GRI's updated definition of materiality. This allows the Group to validate its materiality topics in FY2022 with stakeholders so as to prioritise resources for various sustainability programs. Feedback from all stakeholders groups was solicited through open dialogues on a regular and as-and-when required basis.
13.2	The strategy and key areas of focus in relation to the management of stakeholder relationships are disclosed under "Stakeholder Engagement" of the FY2022 Sustainability Report.
13.3	**Corporate website to engage stakeholders** The Company provides timely and informative updates relating to company announcements, quarterly corporate updates, half-yearly financial results announcements, news releases and corporate presentations on its corporate website. Moving forward, the Company will include more details on its management of stakeholder relationships during the reporting period, including best practices for compliance.
	DEALING IN SECURITIES
Rule 1207(19) of the SGX-ST Listing Manual	The Company has adopted an internal policy to govern the conduct of securities transactions by its directors and employees. All directors and officers of the Company and its subsidiaries who have access to price sensitive information are required to refrain from dealing in the Company's securities at all times as provided under the provisions of the Securities and Futures Act 2001 of Singapore. The directors and officers have been informed not to deal in the Company's shares whilst in possession of price sensitive information as well as during the period commencing one month before the announcement of the company's half year and/or full year financial statements (not required to announce quarterly financial statements). The directors and officers are also discouraged from dealing in the Company's securities on short-term considerations.

CORPORATE GOVERNANCE REPORT

Provisions	Corporate Governance Practices of the Company
	The directors and officers are required to observe insider trading provisions under the Securities and Futures Act 2001 of Singapore, at all times even when dealing in the Company's securities within the permitted periods. Directors of the Company are required to report all dealings to the Company Secretary.
	MATERIAL CONTRACTS
Rule 1207(8) of the SGX-ST Listing Manual	Save for the Service Agreements entered into with the Executive Directors, which are still subsisting or subject to renewal as at the end of FY2022, there are no material contracts involving the interests of the CEO, the directors or controlling shareholders entered into by the Group which are still subsisting as at the end of the financial year or entered into during the financial year.
	SUSTAINABILITY REPORTING
Rule 711A - 711B of the SGX-ST Listing Rules	The Group is committed to good corporate citizenship and sustainable business practices. We believe in creating shared values and improving the impact of our businesses on society and the environment. We will be releasing our Sustainability Report for year 2022 which will reflect the Group's performance on sustainability across business segments in significant locations of operations. Similar to previous year, our 2022 Sustainability Report is prepared in accordance with the Global Reporting Initiative ("**GRI**") Standards ("**Sustainability Reporting Framework**"), and is in line with the SGX-ST requirements on sustainability reporting. The Group has reviewed the previous year's material Environmental, Social and Governance ("**ESG**") factors based on business operations and understanding of stakeholder concerns and will continue with ESG factors identified in the previous year. The Group believes that adopting and considering sustainability in strategy formulation will help to improve performance and achieve sustainable growth in the changing business environment. Our Sustainability Report 2022 includes the Group's performance and targets on each material ESG factor. We hope our stakeholders find our Sustainability Report informative. We look forward to receiving valuable feedback from our stakeholders to make continued progress in this area.

CORPORATE GOVERNANCE REPORT

INTERESTED PERSON TRANSACTIONS

Rule 1207(17) of the SGX-ST Listing Manual

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC, and that transactions are conducted on an arm's length basis, on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. All interested person transactions are subject to review by the AC.

The aggregate value of the interested person transactions entered into during the financial year under review is as follows:-

Interested Person: The Company's controlling shareholder, Yamasa Co., Ltd (and its associates):-

Aggregate value of all interested person transactions during the financial year under review (excluding transactions conducted under shareholders' mandate pursuant to Rule 920)		**Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)**	
Nature	**Amount USD'000**	**Nature**	**Amount USD'000**
Shareholders' loan to joint investment companies where Yamasa Co., Ltd holds 50% or more stake	199.3	Administration fee income	819.7
		Advisory fee income	851.2
		Brokerage fee income	532.5
		Commercial/ship management fee income	1,378.7
		Property management fee	121.3
Total	**199.3**	**Total**	**3,703.4**

CORPORATE GOVERNANCE REPORT

TABLE 1 – ATTENDANCE AT BOARD AND BOARD COMMITTEE MEETINGS AND AGM FOR FY2022

	BOARD		AUDIT		REMUNERATION		NOMINATING		AGM	Attendance	
	No. of Meetings	No of Meetings Attended	No. of Meetings	No of Meetings Attended	No. of Meetings	No of Meetings Attended	No. of Meetings	No of Meetings Attended	Attended	Total	%
Michio Tanamoto	5	5	4	4	1	1	1	1	1	12/12	100%
Masahiro Iwabuchi	5	5	4	4	1	1	1	1	1	12/12	100%
Kenji Fukuyado	5	5	4	4	1	1	1	1	1	12/12	100%
Yukihiro Toda	5	5	4	4	1	1	1	1	1	12/12	100%
Lee Gee Aik	5	5	4	4	1	1	1	1	1	12/12	100%
Chan Kam Loon	5	5	4	4	1	1	1	1	1	12/12	100%
Juliana Lee Kim Lian	5	5	4	4	1	1	1	1	1	12/12	100%

TABLE 2 – BOARD AND BOARD COMMITTEES

Name of Director	Board Membership	Audit Committee	Nomination Committee	Remuneration Committee
Michio Tanamoto	Executive Chairman/Non-Independent	–	–	–
Kenji Fukuyado	Executive/Non-Independent	–	–	–
Masahiro Iwabuchi	Executive/Non-Independent	–	–	–
Yukihiro Toda	Executive/Non-Independent	–	–	–
Lee Gee Aik	Non-Executive/Lead Independent	Chairman	Member	Member
Chan Kam Loon	Non-Executive/Independent	Member	Chairman	Member
Juliana Lee Kim Lian	Non-Executive/Independent	Member	Member	Chairman

CORPORATE GOVERNANCE REPORT

TABLE 3 – DATE OF DIRECTOR'S INITIAL APPOINTMENT, LAST RE-ELECTION AND THEIR DIRECTORSHIPS/ PRINCIPAL COMMITMENTS

Name of Director	Age	Date of initial appointment	Date of last re-election	Present directorships in listed companies	Past (preceding 5 years) directorships in listed companies	Principal commitments
Michio Tanamoto	66	17/03/1997	29/04/2022	Uni-Asia Group Limited	–	Full time employment with the Group
Kenji Fukuyado	59	01/03/2018	30/04/2021	Uni-Asia Group Limited	–	Full time employment with the Group
Masahiro Iwabuchi	60	01/03/2018	29/04/2022	Uni-Asia Group Limited	–	Full time employment with the Group
Yukihiro Toda	60	01/03/2018	30/04/2021	Uni-Asia Group Limited	–	Full time employment with the Group
Lee Gee Aik	64	04/01/2016	04/06/2020	1) Uni-Asia Group Limited 2) Anchun International Limited 3) SHS Holdings Limited 4) Astaka Holdings Limited	1) International Healthway Corporation Limited 2) LHN Limited	CFO of AlphaRock Family Office Pte. Ltd.
Chan Kam Loon	62	01/03/2018	30/04/2021	1) Uni-Asia Group Limited 2) Megachem Ltd 3) Jiutian Chemical Group Ltd 4) Tee International Limited 5) Alpha DX Group Limited (under interim judicial management)	1) China Gaoxian Fibre Fabric Holdings Ltd 2) Z-Obee Holdings Ltd 3) Vashion Group Ltd 4) Sarine Technologies Ltd 5) Hupsteel Pte Ltd	Nil
Juliana Lee Kim Lian	56	01/03/2019	29/04/2022	1) Uni-Asia Group Limited 2) Nordic Group Limited 3) Dyna-Mac Holdings Ltd 4) VCPlus Limited (formerly Anchor Resources Limited) 5) Denison Gas Limited	1) Lee Metal Group Ltd 2) Forise International Limited	Director, Aptus Law Corporation

CORPORATE GOVERNANCE REPORT

TABLE 4 - REMUNERATION OF DIRECTORS FOR FY2022

Name of Directors	Position	Breakdown Of Remuneration In Percentage (%) Directors' Fee %	Base/ Fixed Salary %	Cash Performance Bonus %	Benefits-in-Kind[1] %	Total	Total Remuneration in compensation bands of S$100,000
Michio Tanamoto	Executive	–	21.8%	59.7%	18.5%	100%	S$1,500,001 - S$1,600,000
Kenji Fukuyado	Executive	–	21.0%	57.5%	21.5%	100%	S$1,500,001 - S$1,600,000
Masahiro Iwabuchi	Executive	–	20.8%	57.2%	22.0%	100%	S$1,500,001 - S$1,600,000
Yukihiro Toda	Executive	–	21.5%	77.0%	1.5%	100%	S$1,100,001 - S$1,200,000
Lee Gee Aik	Independent	100%	–	–	–	100%	<S$100,000
Chan Kam Loon	Independent	100%	–	–	–	100%	<S$100,000
Juliana Lee Kim Lian	Independent	100%	–	–	–	100%	<S$100,000
The Aggregate Total Remuneration (S$'000) of Directors						6,072	

Note:

[1] Benefits-in-kind include employer's contribution to defined contribution plan (e.g. Central Provident Fund), housing, etc.

TABLE 4A - REMUNERATION OF KEY MANAGEMENT PERSONNEL (WHO ARE NOT ALSO DIRECTORS OR THE CEO) FOR FY2022

Name of Top 5 Key Management Personnel	Position	Breakdown Of Remuneration In Percentage (%) Base/ Fixed Salary %	Cash Performance Bonus %	Benefits-in-Kind[1] %	Total	Total Remuneration in compensation bands of S$250,000
Zac K. Hoshino	Senior Managing Director	47.3%	29.6%	23.1%	100%	S$500,001 - S$750,000
Lim Kai Ching	Group Chief Financial Officer	60.9%	35.5%	3.6%	100%	S$250,001 - S$500,000
Matthew Yuen	Managing Director	63.0%	32.5%	4.5%	100%	S$250,001 - S$500,000
Shinichiro Ishizaki	Head, Maritime Business Department	58.6%	38.4%	3.0%	100%	S$250,001 - S$500,000
Chiaki Yamamoto	Head, Internal Audit Department	64.0%	36.0%	–	100%	S$250,001 - S$500,000
The Aggregate Total Remuneration (S$'000) of Top 5 Key Management Personnel					2,216	

Note:

[1] Benefits-in-kind include employer's contribution to defined contribution plan (e.g. Central Provident Fund), housing, etc.

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Uni-Asia Group Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2022.

Opinion of the directors

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Michio Tanamoto
Kenji Fukuyado
Masahiro Iwabuchi
Yukihiro Toda
Lee Gee Aik
Philip Chan Kam Loon
Juliana Lee Kim Lian

In accordance with Article 94 of the Company's constitution, Yukihiro Toda and Lee Gee Aik retire and, being eligible, offer themselves for re-election.

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objective is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

Directors' interest in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings, required to be kept under Section 164 of the Singapore Companies Act 1967 (the "Act"), an interest in shares of the Company and related corporation as stated below:

	Holdings registered in the name of directors	
	At the beginning of financial year	At the end of financial year
Ordinary shares of the Company		
Michio Tanamoto	2,500,468	3,250,468
Kenji Fukuyado	1,350,000	1,500,000
Masahiro Iwabuchi	400,000	530,000
Yukihiro Toda	93,105	123,105

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2023.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

Share options

During the financial year, there was:

(a) no option granted by the Company to any person to take up unissued shares of the Company; and

(b) no share issued by virtue of the exercise of options to take up unissued shares of the Company.

At the end of the financial year, there was no unissued share of the Company under option.

Audit committee

The audit committee ("AC") carried out its functions in accordance with section 201B (5) of the Singapore Companies Act 1967, including the following:

(a) reviewed the quarterly and annual financial statements of the Company and the Group before submission to the Board for adoption (including the significant financial reporting matters and judgements so as to ensure the integrity of the financial statements and any announcements relating to the Company and the Group's financial performance);

(b) reviewed with the internal and external auditors, their audit plans and audit reports;

DIRECTORS' STATEMENT

Audit committee (cont'd)

(c) reviewed the cooperation given by the Company's officers to the external auditors;

(d) reviewed the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;

(e) reviewed at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;

(f) reviewed the assurance from the CEO and the Group CFO on the financial records and financial statements;

(g) reviewed interested person transactions and transactions falling within the scope of Chapter 10 of the Listing Manual;

(h) nominated and reviewed the appointment or re-appointment of external auditors;

(i) made recommendations to the Board on the remuneration and terms of engagement of external auditors;

(j) reviewed the independence of the external auditors annually;

(k) reviewed the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;

(l) undertaken such other reviews and projects as may be requested by the Board and reported to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(m) undertaken such other functions and duties as may be required by statute or the Listing Manual and by such amendments made thereto from time to time;

(n) met with the internal and external auditors, without the presence of management, at least once a year;

(o) had explicit authority to investigate any matter within its terms of reference;

(p) had full access to and cooperation from Management and had full discretion to invite any director and executive officer to attend its meetings; and

(q) had been given reasonable resources to enable it to discharge its functions properly.

The AC, having reviewed the nature and extent of non-audit services rendered by the external auditors to the Company for the year ended 31 December 2022, is of the opinion that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The AC convened four meetings during the year with full attendance from all members

Further details regarding the AC are disclosed in the Report on Corporate Governance.

DIRECTORS' STATEMENT

Auditor

The retiring auditors, Ernst & Young LLP will not be seeking re-appointment as auditor of the Company.

KPMG LLP have been nominated to be the auditors of the Company for the financial year ending 31 December 2023. KPMG LLP have expressed their willingness to accept appointment, subject to shareholders' approval at the forthcoming 2023 Annual General Meeting.

On behalf of the board of directors:

Michio Tanamoto
Director

Kenji Fukuyado
Director

Singapore
16 March 2023

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2022

To the Members of Uni-Asia Group Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the financial statements of Uni-Asia Group Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2022, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is those matter that, in our professional judgement, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2022

Key Audit Matter (cont'd)

Fair value of investment properties and unlisted shares in commercial office and industrial buildings and small residential property developments

The Group holds commercial office buildings and small residential properties as investment properties as disclosed in Note 5 to the financial statements. In addition, the Group also invests in unlisted shares of special purpose companies that hold commercial office and industrial buildings and small residential properties for capital appreciation which were carried at fair value through profit or loss as disclosed in Note 6 to the financial statements.

The fair valuation of these investment in unlisted shares in commercial office and industrial buildings, small residential properties and investment properties are significant to our audit due to the magnitude of their total carrying amount of US$42.5 million representing 18% of the total assets as at 31 December 2022, the complexity and the subjectivity of the valuation to a range of estimates made by management (amongst others, gross development value, development cost, rental yield, vacancy rate, gross capitalisation rates, expense ratio and discount rate). As such, we have identified this as a key audit matter.

Management engaged external independent valuer or performed internal valuation to determine the individual fair value of the commercial office and industrial buildings, small residential properties and investment properties at the end of the year. As part of our audit procedures, we have considered the competencies and objectivity of the valuers and involved our internal valuation specialist to support us in assessing the appropriateness of the valuation methodology and key assumptions such as gross development value, development cost, rental yield, vacancy rate, gross capitalisation rates, expense ratio and discount rate used by management in the valuation process. We have also assessed the adequacy of Note 29 relating to the disclosures of valuation technique, inputs used and the sensitivity analysis.

Other Information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2022

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2022

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Shekaran Krishnan.

Ernst & Young LLP
Public Accountants and
Chartered Accountants

Singapore
16 March 2023

BALANCE SHEETS

As at 31 December 2022

	Notes	Group 2022 US$'000	Group 2021 US$'000	Company 2022 US$'000	Company 2021 US$'000
ASSETS					
Non-current assets					
Investment properties	5	11,816	13,085	–	–
Investments	6	32,535	31,379	–	–
Investment in subsidiary	25	–	–	113,022	113,022
Investment in associates		85	124	–	–
Property, plant and equipment	7	130,111	136,357	1	5
Right-of-use assets	27(a)	1,080	2,286	251	382
Rental deposit		202	398	–	–
Deferred tax assets	21(b)	260	158	–	–
Total non-current assets		176,089	183,787	113,274	113,409
Current assets					
Investments	6	695	1,543	–	–
Properties under development	8	6,009	4,206	–	–
Derivative financial instruments	9	66	–	–	–
Accounts receivable	10	596	525	–	–
Amounts due from subsidiary	25(b)	–	–	7,060	4,200
Prepayments, deposits and other receivables		6,062	3,780	53	83
Tax recoverable		69	163	–	–
Cash and bank balances	12	47,069	36,732	129	760
Total current assets		60,566	46,949	7,242	5,043
Total assets		236,655	230,736	120,516	118,452

BALANCE SHEETS

As at 31 December 2022

	Notes	Group 2022	Group 2021	Company 2022	Company 2021
		US$'000	US$'000	US$'000	US$'000
EQUITY					
Equity attributable to owners of the parent					
Share capital	13	113,174	113,174	113,174	113,174
Retained earnings		42,811	21,525	4,934	3,001
Hedging reserve	24(a)	42	(478)	–	–
Exchange reserve	24(b)	(2,528)	767	–	–
Capital reserve	24(c)	(2,833)	(2,854)	–	–
Total equity attributable to owners of the parent		150,666	132,134	118,108	116,175
Non-controlling interests		505	440	–	–
Total equity		151,171	132,574	118,108	116,175
LIABILITIES					
Non-current liabilities					
Borrowings	14	41,551	61,556	–	–
Lease liabilities	27(b)	504	840	125	257
Derivative financial instruments	9	–	97	–	–
Deferred tax liabilities	21(b)	576	550	–	–
Amount due to subsidiary		–	–	1,000	1,000
Other payables		–	52	–	–
Total non-current liabilities		42,631	63,095	1,125	1,257
Current liabilities					
Borrowings	14	31,161	22,285	–	–
Lease liabilities	27(b)	599	3,599	134	131
Due to Tokumei Kumiai investors		911	1,230	–	–
Derivative financial instruments	9	56	422	–	–
Accounts payable	15	419	236	–	–
Amounts due to subsidiary		–	–	19	4
Other payables and accruals		8,949	6,661	703	555
Income tax payable		758	634	427	330
Total current liabilities		42,853	35,067	1,283	1,020
Total liabilities		85,484	98,162	2,408	2,277
Total equity and liabilities		236,655	230,736	120,516	118,452

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2022

	Notes	Group 2022 US$'000	Group 2021 US$'000
Charter income		65,279	47,805
Fee income	16	6,596	5,731
Sale of properties under development	16	8,658	9,134
Investment returns	17	4,712	5,431
Interest income	18	208	89
Other income		683	1,245
Total income		86,136	69,435
Employee benefits expenses	19	(10,600)	(9,493)
Amortisation and depreciation	7	(9,891)	(9,484)
Depreciation of right-of-use assets	27(a)	(1,470)	(1,572)
Vessel operating expenses		(22,579)	(18,550)
Costs of properties under development sold		(7,062)	(7,965)
Gain on disposal of asset held for sale	11	–	365
Reversal of impairment of loan receivables		–	1,050
Impairment of receivables		–	(50)
Net foreign exchange gain		1,535	1,562
Other expenses	20	(3,541)	(3,051)
Total operating expenses		(53,608)	(47,188)
Operating profit		32,528	22,247
Finance costs – interest expense	18	(2,641)	(2,686)
Finance costs – lease interest	18	(104)	(243)
Finance costs – others		(186)	(140)
Share of results of associates		(23)	108
Allocation to Tokumei Kumiai [1] investors		(646)	(290)
Profit before tax		28,928	18,996
Income tax expense	21(a)	(1,039)	(951)
Profit for the year		27,889	18,045
Attributable to:			
Owners of the parent		27,783	18,201
Non-controlling interests		106	(156)
		27,889	18,045
Profit per share attributable to owners of the parent (US cents per share):		**2022**	**2021**
- Basic and diluted	23	35.35	23.16

[1] *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.*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2022

		Group	
	Notes	2022	2021
		US$'000	US$'000
Profit for the year		27,889	18,045
Other comprehensive (expense)/income for the year, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(3,336)	(2,967)
Net movement on cash flow hedges		520	206
Other comprehensive expense for the year, net of tax		(2,816)	(2,761)
Total comprehensive income for the year, net of tax		25,073	15,284
Attributable to:			
Owners of the parent		25,008	15,430
Non-controlling interests		65	(146)
		25,073	15,284

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

Group	Notes	Attributable to the owners of the parent						Non-controlling interests	Total equity
		Share capital (Note 13)	Retained earnings	Hedging reserve	Exchange reserve	Capital reserve	Total		
		US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 1 January 2021		113,174	5,086	(684)	3,744	(2,856)	118,464	878	119,342
Profit/(loss) for the year		–	18,201	–	–	–	18,201	(156)	18,045
Other comprehensive income/(expense) for the year		–	–	206	(2,977)	–	(2,771)	10	(2,761)
Total comprehensive income/(expense) for the year		–	18,201	206	(2,977)	–	15,430	(146)	15,284
Acquisition of additional interests in a subsidiary		–	–	–	–	–	–	(52)	(52)
Distributions to owners:									
Final dividend in respect of 2020	22	–	(592)	–	–	–	(592)	–	(592)
Interim dividend in respect of 2021	22	–	(1,170)	–	–	–	(1,170)	–	(1,170)
Transfer to capital reserve		–	–	–	–	2	2	(2)	–
Payment to non-controlling interests		–	–	–	–	–	–	(238)	(238)
At 31 December 2021 and 1 January 2022		113,174	21,525	(478)	767	(2,854)	132,134	440	132,574
Profit for the year		–	27,783	–	–	–	27,783	106	27,889
Other comprehensive income/(expense) for the year		–	–	520	(3,295)	–	(2,775)	(41)	(2,816)
Total comprehensive income/(expense) for the year		–	27,783	520	(3,295)	–	25,008	65	25,073
Distributions to owners:									
Final and special dividends in respect of 2021	22	–	(2,828)	–	–	–	(2,828)	–	(2,828)
Interim dividend in respect of 2022	22	–	(3,648)	–	–	–	(3,648)	–	(3,648)
Transfer to capital reserve		–	(21)	–	–	21	–	–	–
At 31 December 2022		113,174	42,811	42	(2,528)	(2,833)	150,666	505	151,171

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

Company	Note	Share capital (Note 13)	Retained earnings	Total equity
		US$'000	US$'000	US$'000
At 1 January 2021		113,174	678	113,852
Profit for the year, representing total comprehensive income for the year		–	4,085	4,085
Distribution to owners:				
Final dividend in respect of 2020	22	–	(592)	(592)
Interim dividend in respect of 2021	22	–	(1,170)	(1,170)
At 31 December 2021 and at 1 January 2022		113,174	3,001	116,175
Profit for the year, representing total comprehensive income for the year		–	8,409	8,409
Distribution to owners:				
Final and special dividends in respect of 2021	22	–	(2,828)	(2,828)
Interim dividend in respect of 2022	22	–	(3,648)	(3,648)
At 31 December 2022		113,174	4,934	118,108

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2022

	Notes	Group 2022 US$'000	Group 2021 US$'000
Cash flows from operating activities			
Profit before tax		28,928	18,996
Adjustments for:			
Investment returns	17	(4,712)	(5,431)
Amortisation and depreciation	7	9,891	9,484
Depreciation of right-of-use assets	27(a)	1,470	1,572
Write-off of property, plant and equipment	7	43	6
Gain on disposal of asset held for sale	11	–	(365)
Reversal of impairment of loan receivables		–	(1,050)
Impairment of receivables		–	50
Net foreign exchange gain		(1,535)	(1,562)
Interest income	18	(208)	(89)
Finance costs – interest expense	18	2,641	2,686
Finance costs – lease interest	18	104	243
Finance costs – others		186	140
Share of results of associates		23	(108)
Allocation to Tokumei Kumiai investors		646	290
Operating cash flows before changes in working capital		37,477	24,862
Changes in working capital:			
Net change in properties under development		(2,331)	1,771
Net change in accounts receivable		(95)	653
Net change in prepayments, deposits and other receivables		(2,072)	(280)
Net change in accounts payable		206	9
Net change in other payables and accruals		2,424	2,087
Cash flows generated from operations		35,609	29,102
Interest received on bank balances		177	24
Tax paid		(862)	(747)
Net cash flows generated from operating activities		34,924	28,379

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2022

	Notes	Group 2022 US$'000	Group 2021 US$'000
Cash flows from investing activities			
Purchase of investment properties		(337)	(4,240)
Purchase of investments		(3,161)	(3,703)
Proceeds from redemption/sale of investments		6,458	9,020
Deconsolidation of consolidated entities	26	(27)	(8)
Deposits paid for small residential projects		(4)	(11)
Purchase of property, plant and equipment	7	(3,810)	(2,050)
Proceeds from disposal of asset held for sale		–	9,758
Net redemption from Tokumei Kumiai investors		(824)	(857)
Net loans repaid		–	1,050
Interest received from loans and finance lease		13	62
Income proceeds from investments		–	1,124
Settlement of derivative financial instruments		–	(5)
Proceeds from property rental		584	835
Net cash flows (used in)/generated from investing activities		(1,108)	10,975
Cash flows from financing activities			
Proceeds from borrowings	14	8,275	11,828
Repayment of borrowings	14	(16,875)	(39,463)
Interests and other finance cost paid on borrowings		(2,729)	(2,881)
Lease principal paid	27(b)	(3,597)	(3,628)
Lease interest paid	27(b)	(103)	(243)
Dividends paid	22	(6,476)	(1,762)
Payment to non-controlling interests		–	(238)
Net cash flows used in financing activities		(21,505)	(36,387)
Net increase in cash and cash equivalents		12,311	2,967
Movements in cash and cash equivalents:			
Cash and cash equivalents at beginning of the year		36,732	35,477
Net increase in cash and cash equivalents		12,311	2,967
Effects of foreign exchange rate changes, net		(1,974)	(1,712)
Cash and cash equivalents at end of the year	12	47,069	36,732

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

1. Corporate information

Uni-Asia Group Limited (the "Company") is a limited liability company incorporated in Singapore on 12 January 2017 and its shares are listed on the Singapore Exchange.

The registered office and principal place of business of the Company is located at 30 Cecil Street #10-06/07, Prudential Tower, Singapore 049712.

The principal activities of Company and its subsidiaries (collectively, the "Group") are finance arrangement, investment and investment management of alternative assets including shipping and real estates in Japan, Hong Kong and China.

2. Summary of significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") issued by the Singapore Accounting Standards Council ("ASC").

The financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below.

The financial statements are presented in United States dollars ("USD" or "US$") and all values are rounded to the nearest thousand ("US$'000"), except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of its subsidiaries are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses, and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.2 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to IAS 8 *Definition of Accounting Estimates*	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2 *Disclosure of Accounting Policies*	1 January 2023
Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendments to IFRS 16 *Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to IAS 1 *Classification of Liabilities as Current or Non-Current*	1 January 2024
Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	To be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2.3 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less impairment losses.

2.4 Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group has elected to apply the measurement exception where investments held by venture capital or similar entities are designated, upon initial recognition, as a fair value through profit or loss and are accounted for in accordance with IFRS 9 *Financial Instruments: Recognition and Measurement* ("IFRS 9"). The accounting policy is set out in Note 2.16 financial assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.5 Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not the control or joint control over those policies.

The Group has elected to apply the measurement exception where investments held by venture capital or similar entities are designated, upon initial recognition, as a fair value through profit or loss and are accounted for in accordance with IFRS 9. The accounting policy is set out in Note 2.16 financial assets.

2.6 Fair value measurement

The Group measures financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.6 Fair value measurement (cont'd)

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Determination of fair value

Fair value for unquoted securities is estimated by the management. In determining fair value, the management makes use of market-based information and fair valuation models such as discounted cash flow models or residual method. In many instances the management also relies on financial data of investees and on estimates provided by the management of the investee companies as to the effect of future developments.

Performance notes are investments with income and maturity values which fluctuate based on the distributions received from underlying assets, which are generally investments in property development companies, distressed loans or shipping companies.

Fair value of performance notes are determined by the Group's interests in the fair value of each scheme's underlying assets.

Although the management uses their best judgement in estimating the fair value of investments, there are inherent limitations in any estimation techniques. Future confirming events will also affect the estimates of fair value and the effect of such events on the estimates of fair value, including the ultimate liquidation of investments, could be material to these consolidated financial statements.

2.7 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Fee income

Fee income comprises of arrangement fee, agency fee, brokerage commission, project management fees, technical/commercial management fee, asset management fee, administration fee, incentive fee and etc. Fee income is recognised at point based on the contract price.

Arrangement fee is recognised when the performance obligations associated with the transaction or service are completed.

Agency fee and brokerage commission are recognised when pre-agreed duties and functions of acting as an agent have been rendered.

Project management fee, technical/commercial management fee, asset management fee, administration fee, incentive fee are recognised when pre-agreed terms and services have been rendered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.7 Revenue (cont'd)

Sale of properties under development

The Group develops and sells development properties after completion of construction of the properties. Revenue is recognised when the customer obtains control of the asset.

2.8 Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 *Financial Instruments*, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.8 Business combination and goodwill (cont'd)

Where goodwill has been allocated to a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.9 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.10 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment losses relating to goodwill cannot be reversed in future periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.11 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost includes expenditure that is directly attributable to the acquisition of the items. Vessel repairs and surveys costs are charged as expenses as they are incurred.

Subsequent to recognition, property, plant and equipment other than freehold land and buildings are measured at cost less accumulated depreciation and any accumulated impairment losses. An impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the fair value less costs of disposal and value in use.

Freehold land has unlimited useful life and therefore is not depreciated.

Leasehold improvements are depreciated over the remaining period of the lease while all other property, plant and equipment are depreciated at the following rates on a straight-line basis, which are deemed sufficient to write-off their costs to their residual values over their estimated useful lives: office equipment at 33 1/3%, hostel property at 3.5% - 33 1/3%, vessels at 4.0% - 5.0%, and furniture and fixtures at 25% per annum.

An element of the cost of the vessel is attributed at acquisition to its service potential reflecting its maintained condition. This cost is depreciated over the period to the next dry-docking. Costs incurred on subsequent dry-docking of vessel are capitalised and depreciated on a straight-line basis over the estimated period until the next dry-docking. Gain or loss on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

The residual value, useful life and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.12 Investment properties

Investment properties are properties owned by the Group that are held for long-term rental yields and/or for capital appreciation. Investment properties are initially measured at cost and subsequently measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as additions and the carrying amount of the replaced components are written-off to profit or loss. The cost of maintenance, repairs and minor improvements is charged to the profit or loss when incurred.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.13 Properties under development

Development properties are properties acquired for development or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Development properties are held as inventories and are measured at the lower of cost and net realisable value.

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are capitalised and amortised to profit or loss as the Group expects to recognise the related revenue.

Net realisable value of the development properties is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

The costs of development properties recognised in profit or loss on sale are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Development properties are transferred to properties held for sale upon the completion of construction or development.

2.14 Intangible assets (other than goodwill)

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are not amortised, but are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.15 Cash dividends to equity owners of the parent

The Group recognises a liability to make cash distributions to equity owners of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. A distribution is authorised when it is approved by the shareholders.

A corresponding amount is recognised directly in equity.

2.16 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The two measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

(ii) Fair value through profit or loss ("FVPL")

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.16 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement (cont'd)

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.17 Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. The allowance is based on the ECL associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination, in which case, the allowance is based on the probability of default over the life of the asset.

No ECL is recognised on equity investments.

The Group rates its loans and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts into the following three categories. The impairment methodology applied for each category is described below:

(i) Performing exposures:

When first recognised, an allowance based on 12-month expected credit losses is recognised.

(ii) Underperforming exposures:

When the exposure shows a significant increase in credit risk but not credit impaired, the Group records an allowance for the lifetime expected credit loss.

(iii) Impaired exposures:

Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit impaired, a lifetime ECL is recognised and the Group accrues interest income on the amortised cost of the exposure, net of allowances based on the effective interest rate.

Determining the stage of impairment

At each reporting date, the Group considers whether there has been a significant increase in credit risk of an asset by comparing the lifetime probability of default upon initial recognition of the asset against the risk of a default occurring on the asset as at the end of each reporting period. The Group considers reasonable and supportable quantitative and qualitative information that is relevant and available without undue cost or effort for this purpose. In each case, this assessment is based on forward-looking assessment that takes into account forward looking of economic data, in order to recognise the probability of higher losses associated with more negative economic outlooks.

Exposures that have not deteriorated significantly since origination or which are less than 30 days past due, are considered to be "performing exposures". The allowance for credit losses for these financial assets is based on a 12-months ECL.

A significant increase in credit risk is assumed if the borrower falls more than 30 days past due in making its contractual payments, or if the credit quality was determined by management to have deteriorated significantly.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.17 Impairment of financial assets (cont'd)

Determining the stage of impairment (cont'd)

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 60 days past due on its contractual payments or when there is objective evidence that the exposure is credit impaired. To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as significant delay in payments or known significant financial difficulties of the obligor.

Bank balances – The Group considers bank balances defaulted and takes immediate action when the required payments are not settled within the close of business as outlined in the individual agreements.

Accounts receivables and other receivables – The Group takes the simplified approach for measuring ECLs for these financial assets and therefore does not track for significant increases in credit risk for this portfolio of financial assets. The Group applies a simplified approach in calculating ECLs for accounts receivables and other receivables. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group applies the same criteria for default to determine credit-impaired exposures as described above.

If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the allowance for credit losses reverts from lifetime ECL to 12-months ECL and the reversal will be recognised in the income statement.

The Group assesses whether the credit risk on an exposure has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, exposures are grouped on the basis of shared credit risk characteristics, taking into account instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry and other relevant factors.

When an asset is uncollectible, it is written off against the related allowance for credit loss. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the expense in the income statement.

Measurement of ECLs

ECLs are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired

  As the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

- Financial assets that are credit-impaired

  As the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.17 Impairment of financial assets (cont'd)

Measurement of ECLs (cont'd)

- Financial guarantee contracts

  As the expected payments to reimburse the holder less any amounts that the Group expects to recover. If a loan is fully guaranteed, the ECL estimate for the financial guarantee contract would be the same as the estimated cash shortfall estimate for the loan subject to the guarantee.

ECLs are recognised using an allowance for credit loss account and a corresponding charge to the income statement.

Forward looking information

The Group incorporates forward-looking information in both the assessment of significant increase in credit risk and the measurement of ECLs. The Group considers forward-looking information such as industry factors and economic forecasts. The inputs, assumptions and estimation techniques used to apply the above policies on accounting for impairment losses are further explained in Note 28(b).

2.18 Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash flows management.

2.19 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.19 Taxes (cont'd)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset of liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.20 Employee benefits

Pension obligations

The Group companies have various defined contribution pension schemes in accordance with the local conditions and practices in the countries in which they operate. A defined contribution pension scheme is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee services in the current and prior periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis.

Once the contributions have been paid, the Group has no further payment obligations. The regular contributions constitute net periodic costs for the year in which they are due and as such are included in staff costs.

2.21 Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its foreign currency and interest rate risk, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment (except for foreign currency risk); or

- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge. The documentation includes identification of the hedging instruments, the hedged item or transaction, the nature of the risk being hedged and how the Group will assess the hedging instruments' effectiveness of changes in the hedging instruments' fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.21 Derivative financial instruments and hedge accounting (cont'd)

Hedges which meet the strict criteria for hedge accounting are accounted for as follows:

(a) Fair value hedges

The change in the fair value of an interest rate hedging derivative is recognised in profit or loss in investment returns. The change in the fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying amount of the hedged item and is also recognised in profit or loss as investment returns.

For fair value hedges relating to items carried at amortised cost, the adjustment to carrying values is amortised through profit or loss over the remaining term to maturity. Effective interest rate amortisation may begin as soon as an adjustment exists and shall begin no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss as investment returns.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss. The changes in the fair value of the hedging instruments are also recognised in profit or loss.

(b) Cash flow hedges

The effective portions of the gains or losses on the hedging instruments are recognised directly in other comprehensive income in the hedging reserve, while any ineffective portion is recognised immediately in profit or loss.

Amounts recognised in other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when hedged financial income or financial expense is recognised or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised in other comprehensive income are transferred to the initial carrying amount of the non-financial asset or non-financial liability.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognised in equity is transferred to profit or loss. If the hedging instruments expires or are sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, the amounts previously recognised in other comprehensive income remain in other comprehensive income until the forecast transaction or firm commitment affects profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.22 Foreign currency

The financial statements are presented in USD, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. All differences are taken to profit or loss with the exception of all monetary items that provide an effective hedge for a net investment in a foreign operation. These are recognised in other comprehensive income until the disposal of the net investment, at which time they are recognized in profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on retranslation of a non-monetary item is treated in line with the recognition of the gain or loss on change in fair value of the item i.e., transaction differences on item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively.

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into USD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amount of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and are translated at the closing rates.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into USD at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into USD at the average exchange rates for the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.23 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Vessel	7 years
Office properties	3 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. The impairment of non-financial assets are further explained in Note 2.10.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Summary of significant accounting policies (cont'd)

2.23 Leases (cont'd)

Group as a lessee (cont'd)

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office properties and office equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office properties and office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.24 Provision

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that a future outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounting present value amount arising from the passage of time is included in finance costs in profit or loss.

2.25 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.26 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3. Segment information

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit before tax from continuing operations.

(a) Operating segments

At 31 December 2022, the Group is organised on a worldwide basis into six (2021: six) main reportable segments (activities):

(i) Ship Owning and Chartering is the Group's ship owning and chartering business;

(ii) Maritime Asset Management ("MAM") comprises of the Group's ship investment activity as a venture capital/asset management as well as finance arrangement business;

(iii) Maritime Services is the Group's ship commercial/technical management business, as well as ship related brokerage service business;

(iv) Property Investment (ex-Japan) includes the Group's ex-Japan property investment, venture capital/asset management and related business;

(v) Property Investment (in-Japan) is the Group's in-Japan property investment/asset management and related business; and

(vi) Headquarters' ("HQ") expenses

No operating segments have been aggregated to form the above reportable operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3. Segment information (cont'd)

(a) Operating segments (cont'd)

The segment results for the year ended 31 December 2022 were as follows:

2022	Shipping: Ship owning and chartering	Shipping: MAM	Shipping: Maritime services	Property: Property investment (ex-Japan)	Property: Property investment (in-Japan)	HQ	Eliminations[1]	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Total income								
External customers	66,681	3,642	1,017	1,732	12,715	141	–	85,928
Interest income	114	13	11	17	–	53	–	208
Inter-segment	–	269	1,497	–	116	–	(1,882)	–
	66,795	3,924	2,525	1,749	12,831	194	(1,882)	86,136
Results								
Amortisation and depreciation	(9,808)	–	(26)	–	(64)	(5)	12	(9,891)
Depreciation of right-of-use assets	(828)	–	–	–	(181)	(461)	–	(1,470)
Finance costs – interest expenses	(2,659)	–	–	–	(65)	(36)	119	(2,641)
Finance costs – lease interest	(81)	–	–	–	(5)	(18)	–	(104)
Finance costs – others	(60)	–	–	–	(64)	(62)	–	(186)
Share of results of associate	–	–	–	–	(23)	–	–	(23)
Allocation to Tokumei Kumiai investors	–	–	–	–	(646)	–	–	(646)
Profit/(loss) before tax	29,752	2,231	626	426	1,676	(5,776)	(7)	28,928
Other segment items are as follows:								
Capital expenditure	3,631	–	10	–	9,685	2	–	13,328
Investment in associate	–	–	–	–	85	–	–	85

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3. Segment information (cont'd)

(a) *Operating segments (cont'd)*

The segment results for the year ended 31 December 2021 were as follows:

2021	Shipping: Ship owning and chartering	Shipping: MAM	Shipping: Maritime services	Property: Property investment (ex-Japan)	Property: Property investment (in-Japan)	HQ	Eliminations[1]	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Total income								
External customers	50,852	2,677	1,229	829	13,668	91	–	69,346
Interest income	3	62	5	14	–	5	–	89
Inter-segment	–	321	1,046	–	137	–	(1,504)	–
	50,855	3,060	2,280	843	13,805	96	(1,504)	69,435
Results								
Amortisation and depreciation	(9,394)	–	(11)	–	(84)	(6)	11	(9,484)
Depreciation of right-of-use assets	(827)	–	–	–	(198)	(547)	–	(1,572)
Reversal of impairment of loan receivable	–	1,050	–	–	–	–	–	1,050
Finance costs – interest expenses	(2,603)	–	–	–	(139)	(115)	171	(2,686)
Finance costs – lease interest	(225)	–	–	–	(3)	(15)	–	(243)
Finance costs – others	(81)	–	–	–	(57)	(2)	–	(140)
Share of results of associate	–	–	–	–	108	–	–	108
Allocation to Tokumei Kumiai investors	–	–	–	–	(290)	–	–	(290)
Profit/(loss) before tax	18,910	2,567	582	141	2,199	(5,381)	(22)	18,996
Other segment items are as follows:								
Capital expenditure	1,594	–	64	–	10,348	–	–	12,006
Investment in associate	–	–	–	–	124	–	–	124

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3. Segment information (cont'd)

(a) Operating segments (cont'd)

The segment assets and liabilities were as follows:

	Shipping			Property				
	Ship owning and chartering	**MAM**	**Maritime services**	**Property investment (ex-Japan)**	**Property investment (in-Japan)**	**HQ**	**Eliminations[1]**	**Total**
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
2022								
Segment assets:								
Total assets	156,606	1,490	2,368	31,073	34,220	11,037	(139)	236,655
Segment liabilities:								
Total liabilities	66,467	–	262	5,020	14,694	6,681	(7,640)	85,484
2021								
Segment assets:								
Total assets	152,360	2,646	2,218	30,873	36,109	6,952	(422)	230,736
Segment liabilities:								
Total liabilities	85,287	–	271	5,335	12,814	4,944	(10,489)	98,162

(1) Inter-segment transactions are eliminated on consolidation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3. Segment information (cont'd)

(a) Operating segments (cont'd)

Segment assets consist primarily of investment properties, properties under development, property, plant and equipment, right-of-use assets, receivables, investments, cash and bank balances and derivative financial instruments.

Segment liabilities consist primarily of borrowings, lease liabilities, payables, accruals and derivative financial instruments.

Capital expenditure represents capital additions to investment properties (Note 5), property, plant and equipment (Note 7) and properties under development (Note 8).

(b) Geographical information

The Group's six (2021: six) operating segments operate in three main geographical areas, even though they are managed on a worldwide basis.

Global - the Global segment represents activities with assets or customers with no fixed location, which include ship finance arrangement, investments and asset management of ships, ship owning and chartering.

Asia (ex-Japan) - the Asia (ex-Japan) segment represents activities with assets or customers located in Asia (ex-Japan), which include ship finance arrangement, investments and asset management of properties.

Japan - the Japan segment represents activities with assets or customers located in Japan, which include ship finance arrangement, investments and asset management of properties.

	Group	
	2022	**2021**
	US$'000	US$'000
Total income:		
Global	71,547	54,091
Asia (ex-Japan)	1,846	1,672
Japan	12,743	13,672
	86,136	69,435

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3. Segment information (cont'd)

(b) Geographical information (cont'd)

During the year, total revenue of US$29.3 million (2021: US$22.6 million) were with customers where transactions with each of the customer amounted to ten per cent (10%) or more of the Group's revenue.

	Group	
	2022	**2021**
	US$'000	US$'000
Non-current assets:		
Global	131,111	139,324
Asia (ex-Japan)	30,880	30,062
Japan	14,098	14,401
	176,089	183,787

Income and non-current assets attributable to operating segments are based on the countries in which the customers are located. There is no sale between the geographical segments.

4. Significant accounting judgements, estimates and assumptions

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

4. Significant accounting judgements, estimates and assumptions (cont'd)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

(a) Impairment/reversal of impairment of vessels held as property, plant and equipment

The Group owns vessels held as property, plant and equipment for ship chartering business. Indicators of impairment on the vessels were assessed annually to identify whether the vessels may be impaired. When there has been a change in the estimate used to determine the vessels' recoverable amount since the last impairment loss was recognised, the impairment loss recognised in prior periods shall be reversed. The Group computed the vessels' recoverable amount using value in use and compared with its carrying amounts to identify impairment losses when indicators of impairment existed or reversal of impairment loss when there are indicators that the carrying amount of the previously impaired vessels shall be increased to its recoverable amount. The key assumptions used in the value in use computation comprise of daily charter rates, disposal values, operational expenses, and discount rate.

The carrying amount of the vessels held as property, plant and equipment as at 31 December 2022 is disclosed in Note 7.

(b) Fair value of unlisted shares in shipping companies

The Group invested in unlisted shares of special purpose companies that own and charter ships which were carried at fair value through profit or loss. The Group generally performed internal valuation in the fair valuation of the unlisted shares. The key assumptions used in the valuation are daily charter rates, terminal values, operational expenses, and discount rate. The significant unobservable inputs used in fair valuation including its sensitivity analysis are disclosed in Note 29(c).

The carrying amount of the unlisted shares in shipping companies as at 31 December 2022 are disclosed in Note 6.

(c) Fair value of investment properties and unlisted shares in commercial office and industrial buildings and small residential property developments

The Group held commercial office buildings and small residential properties as investment properties measured at fair value. In addition, the Group invested in unlisted shares of special purpose companies that held commercial office and industrial buildings and small residential properties measured at fair value through profit or loss. The Group generally used external valuation reports and performed internal valuations in determining fair value of commercial office buildings held as investment properties and commercial office and industrial buildings held through unlisted shares. For small residential property development held through unlisted shares and held as investment properties, the Group used internal valuation in estimating the fair value of the unlisted shares and investment properties. The key assumptions used in the valuations are gross development value, development cost, rental yield, vacancy rate, gross capitalisation rates, expense ratio and discount rate. The significant unobservable inputs used in fair valuation including its sensitivity analysis are disclosed in Note 29(c).

The carrying amount of the investment properties and unlisted shares in commercial office and industrial buildings and small residential property developments as at 31 December 2022 are disclosed in Note 5 and Note 6 respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

5. Investment properties

	Group	
	2022	**2021**
	US$'000	US$'000
At 1 January	13,085	9,853
Additions	337	4,254
Currency translation differences	(1,606)	(1,022)
At 31 December	11,816	13,085

The following amounts are recognised in profit or loss:

	Group	
	2022	**2021**
	US$'000	US$'000
Rental income	518	454
Direct operating expenses arising from:		
- Investment properties that generated rental income	70	100

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Further particulars of the Group's investment properties are detailed below:

Location	**Use**	**Tenure**	**Unexpired lease term**
Rooms 712-715, 7/F, China Shine Plaza, 9 Lin He Xi Road, Tianhe District, Guangzhou, PRC(1)	Offices	Leasehold	33 years
1-7-12 Shimoochiai, Shinjuku-ku, Tokyo(2)	Residential	Freehold	–
1-173-18, Takadanobaba Shinjuku-ku, Tokyo(3)	Residential	Freehold	–
2-35-2 Hanegi, Setagaya-ku, Tokyo(4)	Residential	Freehold	–

(1) The Group engages external independent valuer in the fair valuation of the investment property. Market comparable approach is used which makes reference to the estimated or actual market transaction price based on valuer's assumptions.

(2) The Group uses management's valuation in the fair valuation of the investment property. Discounted cash flow method is used which makes reference to the estimated or actual market rental values and equivalent yields. This investment property amounting to US$4.4 million (2021: US$5.0 million) is mortgaged to secure bank borrowing of US$2.7 million (2021: US$3.2 million).

(3) The Group uses management's valuation in the fair valuation of the investment property. Discounted cash flow method is used which makes reference to the estimated or actual market rental values and equivalent yields. This investment property amounting to US$3.6 million (2021: US$4.2 million) is mortgaged to secure bank borrowing of US$2.9 million (2021: US$2.4 million).

(4) The Group uses management's valuation in the fair valuation of the investment property. Capitalisation rate method is used which makes reference to the capitalisation rates of similar investment properties in the market. This investment property amounting to US$2.1 million (2021: US$2.1 million) is mortgaged to secure bank borrowing of US$1.5 million (2021: US$1.5 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

6. Investments

	Group	
	2022	**2021**
	US$'000	US$'000
Non-current		
Financial assets at fair value through profit or loss:		
Unlisted shares		
- Shipping	1,581	2,745
- Residential	59	68
- Commercial office/industrial buildings	28,273	26,886
- Small residential property developments	2,072	94
- Others	550	1,586
	32,535	31,379
Current		
Financial assets at fair value through profit or loss:		
Unlisted shares		
- Commercial office buildings	1	2
- Small residential property developments	315	1,541
- Others	379	–
	695	1,543

Fair values of unlisted shares are further explained in Note 29.

There is no significant restriction on the ability of investees to transfer funds to the Group in the form of cash dividends, repayment of loans or advances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

6. Investments (cont'd)

Investment in joint ventures

The Group has investment in joint ventures in the form of investments in unlisted shares.

Aggregate information about the Group's investments in joint ventures that are not individually material is as follows:

	2022	2021
	US$'000	US$'000
Profit after tax	2,639	4,632
Other comprehensive income	–	947
Total comprehensive income	2,639	5,579

Investment in associates

The Group has investment in associates in the form of investments in unlisted shares.

Aggregate information about the Group's investment in associates that are not individually material is as follows:

	2022	2021
	US$'000	US$'000
Profit after tax	2,173	1,334
Other comprehensive expense	–	(1,100)
Total comprehensive income	2,173	234

The Group's commitments in respect of its investment in associates are disclosed in Note 30(c).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

7. Property, plant and equipment

Group	Hostel property	Vessels	Office equipment, furniture and fixtures	Total
	US$'000	US$'000	US$'000	US$'000
Cost				
At 1 January 2021	429	203,336	998	204,763
Additions	171	1,594	105	1,870
Written-off	(18)	(523)	(106)	(647)
Currency translation differences	(52)	–	(20)	(72)
At 31 December 2021 and 1 January 2022	530	204,407	977	205,914
Additions	–	3,631	126	3,757
Written-off	–	(488)	(115)	(603)
Currency translation differences	(68)	–	(32)	(100)
At 31 December 2022	462	207,550	956	208,968
Accumulated depreciation and impairment				
At 1 January 2021	86	59,760	889	60,735
Charge for the year	46	9,383	55	9,484
Written-off	(12)	(523)	(106)	(641)
Currency translation differences	(10)	–	(11)	(21)
At 31 December 2021 and 1 January 2022	110	68,620	827	69,557
Charge for the year	32	9,796	63	9,891
Written-off	–	(488)	(72)	(560)
Currency translation differences	(14)	–	(17)	(31)
At 31 December 2022	128	77,928	801	78,857
Net book value				
At 31 December 2021	420	135,787	150	136,357
At 31 December 2022	334	129,622	155	130,111

During the year, the Group acquired property, plant and equipment of US$3.8 million (2021: US$1.9 million). The additions include paid amounts of US$3.7 million (2021: US$1.8 million), prepaid amounts of US$Nil (2021: US$0.1 million) and unpaid amounts of US$0.1 million (2021: US$0.2 million) as at 31 December 2022. Cash outflow for the year of US$3.8 million (2021: US$2.1 million) include payments in respect of property, plant and equipment acquired in previous years of US$0.1 million (2021: US$0.3 million) and in current year of US$3.7 million (2021: US$1.8 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

7. Property, plant and equipment (cont'd)

Assets pledged as security

As at 31 December 2022, the Group's vessels amounting to US$129.6 million (2021: US$136.0 million) were pledged to secure the Group's bank borrowings of US$60.7 million (2021: US$71.0 million) (Note 14).

Company	Office equipment, furniture and fixtures
	US$'000
Cost	
At 1 January 2021	15
Written off	(3)
At 31 December 2021,1 January 2022 and 31 December 2022	12
Accumulated depreciation	
At 1 January 2021	4
Charge for the year	6
Written off	(3)
At 31 December 2021 and 1 January 2022	7
Charge for the year	4
At 31 December 2022	11
Net book value	
At 31 December 2021	5
At 31 December 2022	1

8. Properties under development

	Group	
	2022	**2021**
	US$'000	US$'000
Properties under development, for which revenue is to be recognised at a point in time	6,009	4,206

Development properties of the Group with carrying amounts of US$6.0 million (2021: US$4.2 million) are mortgaged to financial institutions of US$4.9 million (2021: US$2.7 million) to secure credit facilities (Note 14).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

9. Derivative financial instruments

	Group	
	2022	**2021**
	US$'000	US$'000
Non-current		
Financial liabilities at fair value through other comprehensive income:		
Cash flow hedge		
Interest rate swaps (i)	–	(70)
Cross currency rate swaps (ii)	–	(27)
	–	(97)
Current		
Financial assets at fair value through other comprehensive income:		
Cash flow hedge		
Interest rate swaps (i)	66	–
Financial liabilities at fair value through other comprehensive income:		
Cash flow hedge		
Interest rate swaps (i)	–	(201)
Cross currency rate swaps (ii)	(56)	(221)
	(56)	(422)

Cash flow hedge

(i) Interest rate swap

At 31 December 2022, the Group has interest rate swaps with notional amount of US$7.3 million (2021: US$8.3 million) to hedge the interest rate risk of bank borrowings.

The interest rate swaps receive floating interest, pay fixed interest and mature in 2023 (2021: 2023).

The terms and the payment dates of the interest rate swaps have been negotiated to match the terms of the bank borrowings. There were no highly probable transactions for which hedge accounting has been claimed that have not occurred and no significant element of hedge ineffectiveness requiring recognition in profit or loss. The cash flow hedge of the expected future interest payment of bank borrowings was assessed to be highly effective.

(ii) Cross currency swap

As at 31 December 2022, the Group has cross currency swaps with notional amount of US$3.8 million (JPY425 million) (2021: US$11.7 million (JPY1,305 million)) to hedge the interest rate risk and notional amount of US$Nil (JPY Nil) (2021: US$1.5 million (JPY165 million)) to hedge the foreign currency risk of borrowings. The cross currency swap will expire in 2023 (2021: 2022 and 2023).

Cash flow hedge accounting has been applied to this cross currency swap agreement as it has been assessed by management to be effective hedging instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

9. Derivative financial instruments (cont'd)

Cash flow hedge (cont'd)

Below is a schedule indicating as at 31 December, the periods when the hedged forecast cash flows are expected to occur and when they are expected to affect profit or loss:

	Group	
	Less than 1 year	**1 year to 5 years**
	US$'000	US$'000
2022		
Net cash inflows	39	–
2021		
Net cash outflows	(342)	(100)

The movements of hedging reserve during the years were as follows:

	Group	
	2022	**2021**
	US$'000	US$'000
At 1 January	(478)	(684)
Gain recognised in other comprehensive income during the year, net	520	206
At 31 December	42	(478)

The Group's risk management strategy is to minimise interest rate cash flow fluctuations on all bank borrowings drawn to finance its vessel purchases for the entire term of the bank borrowings. The Group maintains fixed interest payments by designating a pay fixed and receive float amortising interest rate swap with notional amounts matching the loan principal throughout the tenor of the loan.

There are no expected material sources of ineffectiveness on the Group's cash flow hedge.

10. Accounts receivable

	Group	
	2022	**2021**
	US$'000	US$'000
Current	596	525

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

10. Accounts receivable (cont'd)

In general, the Group normally grants a credit period of 30 days to its customers. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's accounts receivable relate to a large number of diversified customers, there is no significant concentration of credit risk. Accounts receivable are unsecured and non-interest bearing.

An aged analysis of the accounts receivable as at the end of the reporting period that are past due but not impaired is as follows:

	Group	
	2022	**2021**
	US$'000	US$'000
31 days to 60 days	–	8
over 60 days	–	79
	–	87

Included in the Group's accounts receivable balance are receivables from related parties as disclosed in Note 31(a).

11. Asset held for sale

During the financial year ended 31 December 2021, a vessel previously held for sale was disposed with gain amounting to US$0.4 million and was recognised in profit or loss.

12. Cash and bank balances

	Group		Company	
	2022	**2021**	**2022**	**2021**
	US$'000	US$'000	US$'000	US$'000
Cash at banks and in hand	28,456	30,920	129	760
Short-term time deposits	18,613	5,812	–	–
Cash and bank balances	47,069	36,732	129	760

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for varying periods of between one month to one year depending on the immediate cash requirements of the Group and the Company and earn interest at the respective short-term time deposit rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

13. Share capital

	Group and Company			
	Number of shares	Share capital	Number of shares	Share capital
	2022	2022	2021	2021
	’000	US$’000	’000	US$’000
Issued and fully paid:				
At 1 January and 31 December	78,600	113,174	78,600	113,174

14. Borrowings

	Group	
	2022	2021
	US$’000	US$’000
Non-current		
Repayable per terms of loan facilities:		
- Secured	41,551	61,556
Current		
Repayable per terms of loan facilities:		
- Secured	31,161	19,285
- Unsecured	–	3,000
	31,161	22,285

The effective annual interest rates of the bank borrowings range from approximately 0.60% to 3.50 % (2021: approximately 0.60% to 2.45%).

The Group’s borrowings are secured by means of investment properties (Note 5), property, plant and equipment (Note 7) and properties under development (Note 8).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

14. Borrowings (cont'd)

A reconciliation of liabilities arising from financing activities is as follows:

			Non-cash changes		
Group	**At the beginning of financial year**	**Cash flows**	**Amortised finance cost**	**Foreign exchange movement**	**At the end of financial year**
	US$'000	US$'000	US$'000	US$'000	US$'000
2022					
Borrowings	83,841	(8,600)	60	(2,589)	72,712
2021					
Borrowings	113,973	(27,635)	69	(2,566)	83,841

15. Accounts payable

The accounts payable are non-interest bearing and are normally settled on 30 days' term.

16. Revenue

	Group	
	2022	**2021**
	US$'000	US$'000
Asset management and administration fee	3,219	3,262
Arrangement and agency fee	1,882	1,605
Brokerage commission	1,172	596
Incentive fee	323	268
Total fee income	6,596	5,731
Add: Non-lease component of charter hire income	22,428	18,285
Add: Sale of properties under development	8,658	9,134
Total revenue from contract with customers	37,682	33,150

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

17. Investment returns

	Group	
	2022	**2021**
	US$'000	US$'000
Realised gain/(loss) on investments:		
- Shipping	2,066	1,443
- Commercial office/industrial buildings	–	(166)
- Small residential property developments	784	1,481
- Listed shares	–	527
Property rental income	661	725
Fair value adjustment on investments:		
- Shipping	(77)	206
- Commercial office/industrial buildings	1,168	539
- Small residential property developments	85	208
- Distressed asset	–	(100)
- Others	25	(64)
Net gain on derivative financial instruments	–	632
	4,712	5,431

18. Interest income and expense

	Group	
	2022	**2021**
	US$'000	US$'000
Interest income from:		
- Cash and cash equivalents	195	24
- Bridging loans	13	65
	208	89
Interest expense on:		
- Borrowings	2,641	2,686
- Lease liabilities (Note 27(b))	104	243
	2,745	2,929

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

19. Employee benefits expenses

	Group	
	2022	2021
	US$'000	US$'000
Salaries and benefits	10,340	9,218
Defined contribution pension schemes	260	275
	10,600	9,493

20. Other expenses

The following items have been included in arriving at other expenses:

		Group	
	Note	2022	2021
		US$'000	US$'000
Operating lease expenses		400	482
Investment properties operating expenses	5	70	100
Business development expenses		401	259
Professional services fees		1,638	1,129
Audit fee to auditors of the Company		383	314
Audit fee to other auditors		5	10
Non-audit fee to auditors of the Company		5	11
Non-audit fee to other auditors		–	5
Tax and public dues		158	211
Printing, stationery and library fees		153	156
Miscellaneous		328	374
		3,541	3,051

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

21. Income tax

The Group's taxes on assessable profits have been calculated at tax rates prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

(a) Income tax

	Note	Group 2022	Group 2021
		US$'000	US$'000
Current income tax			
Current income taxation		1,093	1,115
Over-provision in respect of prior years		(2)	(192)
		1,091	923
Deferred income tax			
Origination and reversal of temporary difference		(51)	(490)
Utilisation of previously unrecognised tax losses		(1)	518
	21(b)	(52)	28
Total tax expense for the year		1,039	951

A reconciliation between tax expense of the Group applicable to profit before tax using applicable rates and the tax expense for the year is as follows:

	Group 2022	Group 2021
	US$'000	US$'000
Profit before tax	28,928	18,996
Tax at domestic rates applicable to individual group entities	5,051	3,563
Tax effects of:		
Expenses not deductible for the tax purposes	9,542	9,912
Income not subject to tax	(14,491)	(12,923)
Utilisation of previously unrecognised tax losses	(1)	518
Deferred tax assets not recognised	969	225
Partial tax exemption and tax relief	(37)	(89)
Over provision in respect of prior years	(2)	(192)
Others	8	(63)
Tax expense for the year	1,039	951

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

21. Income tax (cont'd)

(b) Deferred tax

The movements in deferred tax assets during the years were as follows:

	Note	Group Provision US$'000
At 1 January 2021		206
Credited to income tax expense for the year	21(a)	(28)
Currency translation differences		(20)
At 31 December 2021 and at 1 January 2022		158
Credited to income tax expense for the year	21(a)	125
Currency translation differences		(23)
At 31 December 2022		260

The movements in deferred tax liabilities during the years were as follows:

	Note	Group Provision US$'000
At 1 January 2021		(536)
Currency translation differences		(14)
At 31 December 2021 and at 1 January 2022		(550)
Charged to income tax expense for the year	21(a)	(73)
Currency translation differences		47
At 31 December 2022		(576)

Unrecognised tax losses

At the end of the reporting period, the Group has tax losses of approximately US$29.3 million (2021: US$25.9 million) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. The tax losses as at 31 December 2022 and 2021 have no expiry date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

21. Income tax (cont'd)

(b) Deferred tax (cont'd)

Unrecognised temporary differences relating to investments in subsidiaries and joint venture

At the end of the reporting period, no deferred tax liability (2021: Nil) has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries and joint venture as the Group has determined that undistributed earnings of its subsidiaries will not be distributed in the foreseeable future and the joint venture of the Group cannot distribute its earnings until it obtains the consent of both the venturers. At the end of the reporting period, the Group does not foresee giving such consent.

Such temporary differences for which no deferred tax liability has been recognized aggregate to US$22.0 million (2021: US$22.4 million). The deferred tax liability is estimated to be US$1.4 million (2021: US$1.4 million).

Tax consequences of proposed dividends

There are no income tax consequences (2021: Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 22).

22. Dividends

	Group and Company	
	2022	**2021**
	US$'000	US$'000
Declared and paid during the financial year:		
Dividends on ordinary shares:		
- Final dividend for 2021: SG cents 3.00 per share (S$2.36 million) (2020: SG cents 1.00 per share (S$0.79 million))	1,697	592
- Special dividend for 2021: SG cents 2.00 per share (S$1.57 million) (2020: Nil)	1,131	–
- Interim dividend for 2022: SG cents 6.5 per share (S$5.11 million) (2021: SG cents 2.00 per share (S$1.57 million))	3,648	1,170
	6,476	1,762
	SGD'000	SGD'000
Proposed but not recognised as a liability as at 31 December:		
Dividends on ordinary shares, subject to shareholders' approval at the AGM:		
- Final dividend for 2022: SG cents 3.00 per share (2021: SG cents 3.00 per share)	2,358	2,358
- Special dividend for 2022: SG cents 5.00 per share (2021: SG cents 2.00 per share)	3,930	1,572
	6,288	3,930

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

23. Profit per share

Basic and diluted profit per share is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year.

The following table reflects the profit and share data used in computation of basic and diluted profit per share for the financial year ended 31 December:

	Group	
	2022	**2021**
Weighted average number of ordinary shares in issue (‘000)	78,600	78,600
Profit attributable to owners of the parent (US$’000)	27,783	18,201
Profit per share (US cents per share) - basic and diluted	35.35	23.16

24. Reserves

(a) Hedging reserve

Hedging reserve represents the gains or losses of the cash flow hedge of derivative financial instruments until the hedged financial income or financial expense is recognised or when a forecast event occurs.

(b) Exchange reserve

Exchange reserve represents exchange differences arising from translation of the financial statements of foreign operations whose functional currencies are different from that of the Group’s presentation currency.

(c) Capital reserve

Capital reserve arose as a result of changes in the ownership interests of subsidiaries that do not result in a loss of control and were accounted for as equity transactions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

25. Investment in subsidiary

	Company 2022	Company 2021
	US$'000	US$'000
Unlisted shares, at cost	113,022	113,022

(a) Details of principal investments in subsidiaries

Details of the principal subsidiaries within the Group as at 31 December 2022 and 2021 were as follows:

Name	Note	Country/ place of incorporation	Proportion of ownership interest 2022	Proportion of ownership interest 2021	Principal activities and place of operation
			%	%	
Held by the Company:					
Uni-Asia Holdings Limited	(i)	Cayman Islands	100.0	100.0	Investment holding, Hong Kong
Held through Uni-Asia Holdings Limited:					
Uni-Asia Shipping Limited	(ii)	Hong Kong	100.0	100.0	Ship investment holding, Hong Kong
Uni-Asia Capital (Singapore) Limited	(i)	Singapore	100.0	100.0	Ship chartering arrangement, Singapore
Uni-Asia Capital Company Limited	(ii)	Hong Kong	100.0	100.0	Property investment, Hong Kong
Uni Ships and Management Limited	(ii)	Hong Kong	100.0	100.0	Project management, accounting and administration services, Hong Kong
Uni-Asia Investment Ltd	(v)	Japan	100.0	100.0	Property investment, Japan
Uni-Asia Capital (Japan) Ltd	(v)	Japan	100.0	100.0	Investment advisory and asset management, Japan
Fulgida Bulkship S.A.	(ii)	Panama	100.0	100.0	Ship owning and chartering, Panama
Joule Asset Management (Pte.) Limited	(i)	Singapore	100.0	100.0	Ship owning and chartering, Singapore

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

25. Investment in subsidiary (cont'd)

(a) Details of principal investments in subsidiaries (cont'd)

Name	Note	Country/ place of incorporation	Proportion of ownership interest 2022 %	2021 %	Principal activities and place of operation
Indirectly held:					
Hope Bulkship S.A.	(ii)	Panama	100.0	100.0	Ship owning and chartering, Panama
Imperial Bulkship S.A.	(ii)	Panama	100.0	100.0	Ship owning and chartering, Panama
Jade Bulkship S.A.	(ii)	Panama	100.0	100.0	Ship owning and chartering, Panama
Karat Bulkship S.A.	(ii)	Panama	100.0	100.0	Ship owning and chartering, Panama
Jubilee Bulkship S.A.	(ii)	Panama	100.0	100.0	Ship owning and chartering, Panama
Mable Bulkship S.A.	(ii)	Panama	100.0	100.0	Ship owning and chartering, Panama
Nora Bulkship S.A.	(ii)	Panama	100.0	100.0	Ship owning and chartering, Panama
Regina Bulkship S.A.	(ii)	Panama	100.0	100.0	Ship owning and chartering, Panama
Wealth Ocean Ship Management (Shanghai) Co., Ltd	(iii)	People's Republic of China	51.0	51.0	Ship management, China
Uni-Asia Guangzhou Property Management Company Limited	(iv)	People's Republic of China	100.0	100.0	Property investment, China
United Wise Capital Investment Limited	(ii)	Hong Kong	69.6	69.6	Property investment, Hong Kong

Notes

(i) Audited by Ernst & Young LLP, Singapore;
(ii) Audited by Ernst & Young, Hong Kong;
(iii) Audited by上海光华会计师事务所, PRC;
(iv) Audited by广州正大中信会计师事务所, PRC;
(v) Not required to be audited under the laws of the country of incorporation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

25. Investment in subsidiary (cont'd)

(a) Details of principal investments in subsidiaries (cont'd)

The table in the previous page lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Compliance with Rule 1207(6) of the SGX-ST Listing Manual

In appointing the audit firms for the Group, the Audit Committee and the Board of Directors of the Company are satisfied that the Group has complied with Listing Rules 712, 715 and 716.

(b) The amounts due from subsidiary are unsecured, interest-free and have no fixed term of repayment and will be settled in cash.

(c) Corporate guarantees provided to banks/lenders for loans taken by subsidiaries amounted to US$59.8 million (2021: US$73.0 million).

26. Deconsolidation of consolidated entities

During the year, the Group dissolved the investment in GK Alero 43, GK Alero 50 and GK Alero 52 (2021: GK Alero 33 and GK Alero 44). The consolidated entities were dormant following the disposal of their investment in small residential properties.

In 2021, wholly owned Florida Containership S.A. was liquidated and deconsolidated following the disposal of its containership investment.

No gain or loss arose from the deconsolidation of consolidated entities for the current financial year and the corresponding financial year in 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

27. Leases

Group as a lessee

(a) Right-of-use assets

The Group has lease contracts for vessel and office properties with remaining lease term of 0 year and 2 years (2021: 1 year and between 1 year to 3 years) respectively.

The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for leases of office properties.

The movements in the right-of-use assets during the period are as follow:

Group	Vessel	Office properties	Total
	US$'000	US$'000	US$'000
Cost			
As at 1 January 2021	3,379	2,187	5,566
Additions	–	1,385	1,385
Written off	–	(1,570)	(1,570)
Currency translation differences	–	(64)	(64)
As at 31 December 2021 and 1 January 2022	3,379	1,938	5,317
Additions	–	307	307
Written off	–	(488)	(488)
Currency translation differences	–	(69)	(69)
As at 31 December 2022	3,379	1,688	5,067
Accumulated depreciation			
As at 1 January 2021	(1,656)	(1,410)	(3,066)
Additions	(827)	(745)	(1,572)
Written off	–	1,570	1,570
Currency translation differences	–	37	37
As at 31 December 2021 and 1 January 2022	(2,483)	(548)	(3,031)
Additions	(828)	(642)	(1,470)
Written off	–	463	463
Currency translation differences	–	51	51
As at 31 December 2022	(3,311)	(676)	(3,987)
Carrying Value			
As at 31 December 2021	896	1,390	2,286
As at 31 December 2022	68	1,012	1,080

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

27. Leases (cont'd)

Group as a lessee (cont'd)

(a) Right-of-use assets (cont'd)

Company	**Office properties** US$'000
Cost	
As at 1 January 2021	517
Additions	393
Written off	(517)
As at 31 December 2021, 1 January 2022 and 31 December 2022	393
Accumulated depreciation	
As at 1 January 2021	(355)
Additions	(173)
Written off	517
As at 31 December 2021 and 1 January 2022	(11)
Additions	(131)
As at 31 December 2022	(142)
Carrying Value	
As at 31 December 2021	382
As at 31 December 2022	251

(b) Lease liabilities

	Group		**Company**	
	2022	**2021**	**2022**	**2021**
	US$'000	US$'000	US$'000	US$'000
Non-current	504	840	125	257
Current	599	3,599	134	131

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

27. Leases (cont'd)

Group as a lessee (cont'd)

(b) Lease liabilities (cont'd)

The movements in the lease liabilities during the period are as follow:

	Group	
	2022	**2021**
	US$'000	US$'000
As at 1 January	4,439	6,709
Additions	307	1,385
Accretion of interest	104	243
Written off	(25)	–
Payments	(3,700)	(3,871)
Currency translation difference	(22)	(27)
As at 31 December	1,103	4,439

The Group had total cash outflows for leases of US$3.7 million (2021: US$3.9 million) in 2022. The Group also had non-cash additions to right-of-use assets and lease liabilities of US$0.3 million (2021: US$1.4 million) in 2022.

The maturity analysis of lease liabilities is disclosed in Note 28(c).

The effective annual interest rates of the lease liabilities range from approximately 1.35% to 5% (2021: 1.35% to 5%).

The following are the amounts recognised in profit or loss:

	Group	
	2022	**2021**
	US$'000	US$'000
Depreciation expense of right-of-use assets	(1,470)	(1,572)
Interest expense on leases liabilities	(104)	(243)
Expense relating to short-term leases (included in operating lease expenses)	(32)	(8)
Expense relating to leases of low-value assets (included in operating lease expenses)	(112)	(81)
Variable lease payments (included in other expenses)	(49)	(9)
Total amount recognised in profit or loss	(1,767)	(1,913)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

28. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- market risk (which includes currency risk, interest rate risk and price risk)
- credit risk
- liquidity risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group's Management Committee manages the Group's risk management policies and procedures, and ensures that the Group responds swiftly to changes in risks. Sub-committees are established to assess risks on a more frequent basis.

(a) Market risk

Market risk is the risk that the value of a financial instrument and investments will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or factors affecting all financial instruments traded in or indexed to a market. The Group is exposed to market risk on financial instruments and investments that are valued at market prices which primarily consist of investments in shipping, properties, loans and marketable securities.

(i) Currency risk

The Group's revenue and expenses are mainly denominated in the respective functional currencies of Group entities. The Group's main exposure to currency risk is on borrowings that are denominated in a currency other than the respective functional currencies of Group entities. This pertains to foreign exchange risk related to the principal amounts of the Group's JPY bank loans taken by USD functional currency Group entities. The Group may use forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. Such contracts generally are designated as cash flow hedges.

Interest on borrowings is denominated in the currency of the borrowing. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Group, primarily USD, but also JPY and HKD. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied in these circumstances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

28. Financial risk management (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

In respect of other monetary assets and liabilities denominated in a currency other than the respective functional currencies of Group entities, such exposure is small, but when necessary, the Group will ensure its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations including Japan and People's Republic of China. These net investments are not hedged as such investments are long term in nature.

The summary of quantitative data about the Group's exposure to currency risk that are denominated in a currency other than the respective functional currencies of Group entities is as follows:

JPY denominated balances

	Group	
	2022	**2021**
	US$'000	US$'000
Cash and bank balances	7,683	106
Borrowings	(8,135)	(11,336)
Other payables and accruals	(234)	(91)
Net exposure	(686)	(11,321)

Assuming a 5% change in USD against the JPY with all other variables being held constant, the effects arising from the net exposure will be as follows:

	Group	
	Profit before tax	
	2022	**2021**
	US$'000	US$'000
USD against JPY:		
- Strengthened	33	596
- Weakened	(36)	(539)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

28. Financial risk management (cont'd)

(a) Market risk (cont'd)

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate from changes in market interest rates and the cash flow risks associated with the variability of cash flows from floating rate financial instruments. The Group is exposed to interest rate risk from interest rate re-pricing differences between loans, borrowings and cash and cash equivalents.

The Group's cash balances are kept in interest bearing current accounts and on term deposits to maximise the level of return while maintaining an adequate level of liquidity. The Group's borrowings at variable rates are denominated in USD and JPY.

The Group may manage its interest rate risk through the use of interest rate swaps. These are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of currencies or interest rates (e.g., fixed rate for floating rate) or a combination of all these (i.e., cross-currency interest rate swaps).

As at 31 December 2022, if USD market interest rates had been 100 basis point higher/lower with other variables held constant, profit before tax for the year would have been US$124,000 lower/higher (2021: profit before tax would have been US$357,000 lower/higher), mainly as a result of higher/lower net interest expense incurred on floating rate financial instruments after taking into account the effect of interest rate swaps.

As at 31 December 2022, if JPY market interest rates had been 40 basis point higher/lower with other variables held constant, profit before tax for the year would have been US$15,000 lower/higher (2021: profit before tax would have been US$23,000 lower/higher), mainly as a result of higher/lower net interest expense incurred on floating rate financial instruments.

(iii) Price risk

The Group is exposed to price risk on the shipping and property investments (including investment properties) because the investments are classified on the balance sheets at fair value through profit or loss or at the lower of carrying values or recoverable amount. The Group seeks to manage such risk exposure by keeping a balanced portfolio, performing due diligence procedures, conducting routine analysis and updates on the market and investing through specialised fund structures. The Group maintains a diversified investment portfolio in shipping, residential, commercial office and industrial building and other alternative asset classes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

28. Financial risk management (cont'd)

(a) Market risk (cont'd)

(iii) Price risk (cont'd)

Assuming a 1% change in prices across the board in the respective investments with all other variables including tax rate being held constant, the effect on the Group's investment portfolio would be as follows:

	2022		2021	
	Effect on portfolio	**Portfolio percentage**	**Effect on portfolio**	**Portfolio percentage**
	US$'million	%	US$'million	%
Investments in:				
Shipping entities	–*	3	–*	5
Entities holding small residential property development projects in Japan	0.2	36	0.2	34
Entities holding commercial office/ industrial building developments in Hong Kong	0.3	55	0.3	54

* Amount less than US$0.1 million

(b) Credit risk

Credit risk is the risk of loss resulting from the failure of counterparties to meet the terms of their obligations under a financial instrument or customer contract. The Group is exposed to credit risk from accounts receivable, rental deposits and loans receivable, deposits with banks and financial institutions, foreign exchange transactions, other financial instruments and counterparty default risk from investing activities. The Group seeks to minimise these risks by performing detailed reviews of loan counterparties or asset issuers and by either selling on participated loans to other parties or entering into offsetting loans payable when management wishes to preserve the Group's liquidity.

The Group deals only with customers of good credit standing and the loans are currently extended only to investees or related companies.

The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

The Group and Company performs detailed reviews of loan counterparties or asset issuers by reference to qualitative and quantitative credit indicators that are available without undue cost or effort and that is determined to be predictive of the risk of default including applying expert credit judgement. These credit indicators vary depending on the nature of the exposure and the type of counterparties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

28. Financial risk management (cont'd)

(b) Credit risk (cont'd)

The Group assesses impairment at the individual exposure level and performs a detailed credit review on the counterparty and assesses the risk of default based on available financial information, account conduct and industry information that are determined to be forward looking in nature. The Group determines that the risk of default has significantly increased for a particular counterparty based on financial indicators such as negative working capital, net losses or net operating cash outflows for a prolonged period. As a practical expedient, where market data is available for certain individual exposures such as CDS prices on the counterparties issued debt securities, a threshold is determined whereby CDS price increases beyond that set threshold is used as a criteria to determine significant increases in credit risk. In addition, as a backstop, the Group and Company considers significant increases in credit risk to have occurred no later than when an asset is more than 30 days past due. Where the risk of default has increased significantly since origination for a particular exposure, the Group and Company reclassifies the exposure to the "underperforming exposures" category, in line with its accounting policy.

For all credit exposures, the Group and Company considers default to have occurred no later than when an asset is more than 60 days past due. For the current financial year, there were no credit exposures that were written off or modified.

ECLs are calculated using three main components, i.e. a probability of default (PD), a loss given default (LGD) and an exposure at default (EAD). These parameters are derived from available market data such as CDS prices, PD models based on financial information of comparable companies, historical default research and studies conducted by third party credit rating agencies and the Group's own historical loss experience, combined with current and forward-looking customer and industry information. For accounting purposes, the 12-months and lifetime PD represent the expected point-in-time probability of a default over the next 12 months and remaining lifetime of the financial instrument, respectively, based on conditions existing at the balance sheet date and future economic conditions that affect credit risk. The LGD represents expected loss conditional on default, taking into account the mitigating effect of collateral, its expected value when realised and the time value of money. The EAD represents the expected exposure at default, taking into account the repayment of principal and interest from the balance sheet date to the default event.

ECL is measured over the maximum contractual period over which the Group and Company is exposed to credit risk. The maximum contractual period extends to the date at which the Group and Company has the right to require repayment of a loan or receivable or terminate a loan commitment or guarantee.

There is no loss allowance provision for debt securities at amortised cost and loans as at 31 December 2021 and 2022.

The Group does not provide any corporate guarantees for any credit facilities issued by financial institution for borrowing of investee company as at 31 December 2021 and 2022.

All financial assets were either "performing exposures" for those measured for ECL under the general approach or unimpaired for those where the simplified approach was used. There were no financial assets that moved between stages and no new impaired financial assets in the financial year ended 31 December 2021 and 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

28. Financial risk management (cont'd)

(c) Liquidity risk

The Group manages liquidity risk by maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions in order to meet ongoing normal operating commitment and capital investment requirement. The table below analyses the maturity profile of the Group's financial liabilities (including derivative financial instruments) based on contractual undiscounted cash flows:

Group	**Less than 1 year**	**1 year to 5 years**	**Over 5 years**	**Total**
	US$'000	US$'000	US$'000	US$'000
2022				
Non-derivative cash flows				
Financial liabilities				
Borrowings (including interests)	33,579	39,225	5,346	78,150
Lease liabilities	613	508	–	1,121
Due to Tokumei Kumiai investors	911	–	–	911
Financial liabilities included in accounts payable, other payables and accruals	7,544	–	–	7,544
	42,647	39,733	5,346	87,726
Derivative cash flows				
Cash inflows	372	–	–	372
Cash outflows	(333)	–	–	(333)
	39	–	–	39
2021				
Non-derivative cash flows				
Financial liabilities				
Borrowings (including interests)	24,649	64,453	4,371	93,473
Lease liabilities	3,700	853	–	4,553
Due to Tokumei Kumiai investors	1,230	–	–	1,230
Financial liabilities included in accounts payable, other payables and accruals	5,315	52	–	5,367
	34,894	65,358	4,371	104,623
Derivative cash flows				
Cash inflows	910	260	–	1,170
Cash outflows	(1,252)	(360)	–	(1,612)
	(342)	(100)	–	(442)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

28. Financial risk management (cont'd)

(d) Capital management

In the near term, the Group's objective in managing capital is to maintain an optimal capital structure in order to expand the size of the Group's investment portfolio. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell investments to reduce borrowings. The Group conducts regular cash flow analysis to determine the capital requirement of each department and the cash flow and financial position of all business activities in order to closely monitor the cash flow and capital structure of the Group. The Group may monitor capital using the gearing ratio, which is net debt divided by total equity.

	Group	
	2022	**2021**
	US$'000	US$'000
Borrowings	72,712	83,841
Due to Tokumei Kumiai investors	911	1,230
Derivative financial instruments	56	519
Financial liabilities included in accounts payable, other payables and accruals	7,892	5,579
Less: cash and bank balances	(47,069)	(36,732)
Net debt	34,502	54,437
Total equity	151,171	132,574
Gearing ratio	22.8%	41.1%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. Assets and liabilities measured at fair value

Financial instruments at fair value through profit or loss are designated upon initial recognition except for derivatives that are designated as hedges.

The carrying value of financial instruments by classes as at the end of the reporting period are as follows:

Group	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at fair value through profit or loss	Derivative used for hedging
	US$'000	US$'000	US$'000	US$'000
2022				
Financial assets				
Investments - unlisted	–	–	33,230	–
Rental deposit	202	–	–	–
Derivative financial instruments	–	–	–	66
Accounts receivable	596	–	–	–
Financial assets included in prepayments, deposits and other receivables	1,873	–	–	–
Cash and bank balances	47,069	–	–	–
	49,740	–	33,230	66
Financial liabilities				
Borrowings	–	(72,712)	–	–
Due to Tokumei Kumiai investors	–	(911)	–	–
Derivative financial instruments	–	–	–	(56)
Financial liabilities included in accounts payable, other payables and accruals	–	(7,892)	–	–
	–	(81,515)	–	(56)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. Assets and liabilities measured at fair value (cont'd)

Group	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at fair value through profit or loss	Derivative used for hedging
	US$'000	US$'000	US$'000	US$'000
2021				
Financial assets				
Investments - unlisted	–	–	32,922	–
Rental deposit	398	–	–	–
Accounts receivable	525	–	–	–
Financial assets included in prepayments, deposits and other receivables	1,364	–	–	–
Cash and bank balances	36,732	–	–	–
	39,019	–	32,922	–
Financial liabilities				
Borrowings	–	(83,841)	–	–
Due to Tokumei Kumiai investors	–	(1,230)	–	–
Derivative financial instruments	–	–	–	(519)
Financial liabilities included in accounts payable, other payables and accruals	–	(5,579)	–	–
	–	(90,650)	–	(519)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. Assets and liabilities measured at fair value (cont'd)

Company	Financial assets at amortised cost	Financial liabilities at amortised cost
	US$'000	US$'000
2022		
Financial assets		
Amounts due from subsidiary	7,060	–
Financial assets included in prepayments, deposits and other receivables	46	–
Cash and bank balances	129	–
	7,235	–
Financial liabilities		
Amounts due to subsidiary	–	(1,019)
Financial liabilities included in accounts payable, other and accruals	–	(703)
	–	(1,722)
2021		
Financial assets		
Amounts due from subsidiary	4,200	–
Financial assets included in prepayments, deposits and other receivables	83	–
Cash and bank balances	760	–
	5,043	–
Financial liabilities		
Amounts due to subsidiary	–	(1,004)
Financial liabilities included in accounts payable, other and accruals	–	(555)
	–	(1,559)

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is depended on the valuation inputs used as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (i.e., unobservable inputs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. Assets and liabilities measured at fair value (cont'd)

(a) *Fair value hierarchy (cont'd)*

Analysis of each class of assets and liabilities measured at fair value by level of fair value hierarchy as at the end of the reporting period was as follows:

Group	**Level 1** US$'000	**Level 2** US$'000	**Level 3** US$'000	**Total** US$'000
2022				
Recurring fair value measurements				
Financial assets				
Fair value through profit or loss				
Unlisted shares				
- Shipping	–	–	1,581	1,581
- Residential	–	–	59	59
- Commercial office/industrial buildings	–	–	28,274	28,274
- Small residential property developments	–	–	2,387	2,387
- Others	–	–	929	929
Derivatives designated as hedges				
Interest rate swap	–	66	–	66
	–	66	33,230	33,296
Non-financial assets				
Investment properties	–	–	11,816	11,816
	–	66	45,046	45,112
Financial liabilities				
Derivatives designated as hedges				
Cross currency rate swap	–	(56)	–	(56)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. Assets and liabilities measured at fair value (cont'd)

(a) Fair value hierarchy (cont'd)

Group	**Level 1** US$'000	**Level 2** US$'000	**Level 3** US$'000	**Total** US$'000
2021				
Recurring fair value measurements				
Financial assets				
Fair value through profit or loss				
Unlisted shares				
- Shipping	–	–	2,745	2,745
- Residential	–	–	68	68
- Commercial office/industrial buildings	–	4,365	22,523	26,888
- Small residential property developments	–	–	1,635	1,635
- Others	–	–	1,586	1,586
	–	4,365	28,557	32,922
Non-financial assets				
Investment properties	–	–	13,085	13,085
	–	4,365	41,642	46,007
Financial liabilities				
Derivatives designated as hedges				
Interest rate swaps	–	(271)	–	(271)
Cross currency rate swaps	–	(248)	–	(248)
	–	(519)	–	(519)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. Assets and liabilities measured at fair value (cont'd)

(a) *Fair value hierarchy (cont'd)*

The movements in fair value measurements in Level 3 during the years were as follows:

Group	Unlisted shares	Investment properties	Total
	US$'000	US$'000	US$'000
At 1 January 2021	18,733	9,853	28,586
Fair value adjustment recognised in profit or loss	814	–	814
Purchases	3,610	4,254	7,864
Disposals	(5,801)	–	(5,801)
Transfers into level 3	11,657	–	11,657
Currency translation differences	(456)	(1,022)	(1,478)
At 31 December 2021 and at 1 January 2022	28,557	13,085	41,642
Fair value adjustment recognised in profit or loss	1,201	–	1,201
Purchases	3,160	337	3,497
Disposals	(5,660)	–	(5,660)
Income proceeds from investments	2,052	–	2,052
Transfers into level 3	4,365	–	4,365
Currency translation differences	(445)	(1,606)	(2,051)
At 31 December 2022	33,230	11,816	45,046

During the years 2022 and 2021, there was no transfer of fair value measurements between Levels 1 and 2.

(b) *Level 2 fair value measurements*

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

Derivative financial instruments

Forward currency contracts and interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. Assets and liabilities measured at fair value (cont'd)

(c) Level 3 fair value measurements

Description of significant unobservable inputs used in Level 3 fair value measurements are as follows:

Descriptions	Note	Fair value at 31 December 2022 US$'000	Fair value at 31 December 2021 US$'000	Valuation techniques	Significant unobservable inputs	Range 2022	Range 2021
Commercial office/industrial building:							
- Unlisted shares	(i)	4,798	12,664	Income approach	Gross development value per square foot	HK$13,000 – HK$14,000	HK$14,000 – HK$16,000
					Discount rate	5.6%	5.0%
					Development cost per square foot	HK$2,000	HK$1,400 – HK$2,100
	(i)	23,476	9,859	Market comparable approach	Adjustments on market transaction price based on valuer's assumption[1]	5.0 - 20.0%	5.0 - 20.0%
- Investment properties		1,690	1,843	Market comparable approach	Adjustments on market transaction price based on valuer's assumption[1]	5.0 - 20.0%	5.0 - 20.0%
Shipping:							
- Unlisted shares	(ii)	1,490	2,641	Income approach	Daily charter rate	US$8,000 – US$27,000	US$11,000 – US$21,000
					Terminal value	US$14 million	US$Nil
					Discount rate	9.2% - 10.0%	6.7% - 7.4%
Small residential property developments:							
- Investment properties		10,126	11,242	Income approach	Property completed:		
					Discount rate/Gross capitalisation rate	5%	5%
					Monthly rental per square meter	JPY4,000 – JPY5,000	JPY4,000 – JPY5,000
				Income approach	Property under construction:		
					Gross development value per square meter	JPY1.2 million	–
					Development cost per square meter	JPY0.4 million	–
					Discount rate	5%	–

1 the adjustments are made taking into account any difference in the nature, location or condition of the specific property

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. Assets and liabilities measured at fair value (cont'd)

(c) Level 3 Fair value measurements (cont'd)

The following table shows the impact on the Level 3 fair value measurement of assets and liabilities that are sensitive to changes in unobservable inputs that reflect reasonably possible alternative assumptions. The positive and negative effects are approximately the same unless stated otherwise.

Note	Descriptions	Significant unobservable inputs	Percentage change	Impact of percentage change in inputs on profit before tax	
				2022	**2021**
				US$'000	US$'000
	Commercial office/industrial building:				
(i)	- Unlisted shares	Gross development value per square foot	(15%)	(1,131)	(3,070)
		Discount rate	(2%)	173	136
		Development cost per square foot	(5%)	87	191
		Adjustments on market transaction price based on valuer's assumption	(20%)	(7,528)	(3,190)
	Shipping:				
(ii)	- Unlisted shares	Daily charter rate	5%	675	1,408
		Selling price at end of lease term	15%	197	–[1]
		Discount rate	1%	14	(157)

[1] There are no negative effect as the investments with this input are already nil balance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. Assets and liabilities measured at fair value (cont'd)

(d) Valuation policies and procedures

Management oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures.

For valuation performed by external valuation experts, management reviews the appropriateness of the valuation methodologies and assumptions adopted as well as evaluates the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, external valuation experts calibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information are reasonably available.

Significant changes in fair value measurements from period to period are evaluated by management for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources or internal sources if necessary and appropriate.

Management documents and reports its analysis and results of the external valuations to the Board of Directors on a periodic basis.

(e) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Accounts receivable, amounts due from subsidiary, other receivables, cash and bank balances, borrowings, due to Tokumei Kumiai investors, accounts payable, amounts due to subsidiary, other payables and accruals

The carrying amounts of these financial assets and liabilities other than borrowings at fixed rate are reasonable approximation of fair values due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amount of borrowings at fixed rate are reasonable approximation of fair values, either due to their short-term nature or that they are fixed rate instruments, which the fixed interest rate are reasonable approximation of market floating rates on or near the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

30. Commitments

(a) *Capital commitments*

Capital expenditure contracted for at the end of the reporting period but not recognised in the consolidated financial statements of the Group was as follows:

	Group	
	2022	**2021**
	US$'000	US$'000
Capital commitments in respect of:		
- Investment property under construction	492	756
- Properties under development	1,767	426

(b) *Operating lease commitments - the Group as lessor*

The Group has entered leases for certain of its investment properties and vessels. These non-cancellable leases have remaining lease terms range from one month to two years (2021: one month to two years).

Future minimum rentals receivable under non-cancellable operating leases as at the end of the reporting period were as follows:

	Group	
	2022	**2021**
	US$'000	US$'000
Rental income from investment properties		
Within one year	362	508
Later than one year and not later than five years	116	225
	478	733
Charter income from vessels		
Within one year	15,552	27,775

(c) *Investment commitments*

	Group	
	2022	**2021**
	US$'million	US$'million
Loan investments	2.8	1.7
Loan to associate	0.4	0.4
	3.2	2.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

31. Related party transactions

(a) In addition to the information disclosed elsewhere in the consolidated financial statements, the following transactions took place between the Group and related parties in the normal course of business:

		2022			2021		
Group	**Notes**	**Associates**	**Investee companies**	**Other related companies**	**Associates**	**Investee companies**	**Other related companies**
		US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Consolidated income statement							
Fee income:							
Asset management and administration fee		43	2,438	28	–	2,595	–
Arrangement and agency fee		–	512	1,119	–	1,189	284
Brokerage commission		–	533	–	–	472	2
Incentive fee		–	323	–	–	268	–
Investment returns:							
Realised gain on investments							
- Shipping		–	2,066	–	–	1,443	–
Property rental income		–	–	75	–	153	77
Interest income from participation in bridging loan	18	–	13	–	–	65	–
Miscellaneous Income		–	–	–	–	37	–
Consolidated balance sheets							
Current							
Accounts receivable		12	251	3	–	241	8
Other payable		–	–	5	–	–	20

Other related companies refer to shareholders of the Group, who fit the definition of related parties and entities invested by an investee company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

31. Related party transactions (cont'd)

(b) Compensation of key management personnel and directors

	Group	
	2022	**2021**
	US$'000	US$'000
Short-term benefits	5,145	4,115
Employer's contribution to defined contribution plans	36	43
Other welfare and allowances	831	696
	6,012	4,854

Included in the above is total compensation to directors of the Group amounting to US$4.4 million (2021: US$3.3 million).

The compensation of directors and key management personnel is reviewed by the remuneration committee and is subject to the necessary approval.

32. Approval of the financial statements

The financial statements of the Group for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 16 March 2023.

STATISTICS OF SHAREHOLDINGS

As at 16 March 2023

SHARE CAPITAL

Number of Issued Shares	:	78,599,987
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote for every ordinary share

The Company has no subsidiary holdings and treasury shares as at 16 March 2023.

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 16 MARCH 2023

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDINGS	NO. OF SHARES	% OF SHAREHOLDINGS
1 - 99	54	1.74	1,772	0.00
100 - 1,000	716	23.09	380,924	0.48
1,001 - 10,000	1,765	56.92	7,314,072	9.31
10,001 - 1,000,000	556	17.93	26,026,756	33.11
1,000,001 - and above	10	0.32	44,876,463	57.10
Grand Total	**3,101**	**100.00**	**78,599,987**	**100.00**

TOP 20 LARGEST SHAREHOLDERS AS AT 16 MARCH 2023

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHAREHOLDINGS
1	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	24,295,946	30.91
2	EVERGREEN INTERNATIONAL S.A.	7,031,250	8.95
3	MICHIO TANAMOTO	3,250,468	4.14
4	PHILLIP SECURITIES PTE LTD	2,066,238	2.63
5	DBS NOMINEES PTE LTD	1,898,603	2.42
6	KENJI FUKUYADO	1,500,000	1.91
7	YOSHIDA KAZUHIKO	1,342,968	1.71
8	RAFFLES NOMINEES (PTE) LIMITED	1,298,885	1.65
9	IFAST FINANCIAL PTE LTD	1,127,350	1.43
10	CITIBANK NOMINEES SINGAPORE PTE LTD	1,064,755	1.35
11	NG HWEE KOON	1,000,000	1.27
12	TAN WEY LING	883,400	1.12
13	YEO SENG BUCK	780,900	0.99
14	MASAKI FUKUMORI	674,980	0.86
15	UOB KAY HIAN PTE LTD	625,500	0.80
16	ANGELINE LIN WILKES @ LIN WENHAN	612,200	0.78
17	HAM YONG KWAN	572,900	0.73
18	LAI WENG KAY	551,100	0.70
19	IWABUCHI MASAHIRO	530,000	0.67
20	OCBC SECURITIES PRIVATE LTD	499,895	0.64
	TOTAL	**51,607,338**	**65.66**

STATISTICS OF SHAREHOLDINGS

As at 16 March 2023

SUBSTANTIAL SHAREHOLDERS AS AT 16 MARCH 2023

as shown in the Company's Register of Substantial Shareholders

Name of Substantial Shareholders	Shareholding registered in name of substantial shareholders and/or nominee		Other shareholdings in which substantial shareholders are deemed to have an interest	
	No of Shares	% of Issued Shares	No of Shares	% of Issued Shares
Yamasa Co., Ltd	–	–	23,582,116 (1)	30.00%
Evergreen International S.A.	7,031,250	8.95%	–	–

Notes:-

(1) Shares registered in the name of DBS Vickers Securities (Singapore) Pte Ltd

PUBLIC SHAREHOLDINGS

Based on the information available to the Company as at 16 March 2023, approximately 54.14% of the total number of issued shares of the Company is held by the public and therefore Rule 723 of the Listing rules of the SGX-ST is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Uni-Asia Group Limited (the "**Company**") will be held at Anson III, Level 2, M Hotel Singapore, 81 Anson Road, Singapore 079908 on Friday, April 28, 2023 at 2.00 p.m. for the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended December 31, 2022 together with the Auditors' Report thereon. **(Resolution 1)**

2. To declare a final one-tier tax-exempt dividend of S$0.03 per ordinary share and a special one-tier tax exempt dividend of S$0.05 per ordinary share for the financial year ended December 31, 2022. **(Resolution 2)**

   [See Explanatory Note (a)]

3. To re-elect Mr. Yukihiro Toda, a Director who is retiring by rotation in accordance with Article 94 of the Company's Constitution and who, being eligible, will offer himself for re-election. **(Resolution 3)**

   [See Explanatory Note (b)]

4. To re-elect Mr. Lee Gee Aik, a Director who is retiring by rotation in accordance with Article 94 of the Company's Constitution and who, being eligible, will offer himself for re-election. **(Resolution 4)**

   Mr. Lee Gee Aik will, upon re-election as a Director of the Company, remain as Chairman of the Audit Committee and he will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

   [See Explanatory Note (b)]

5. To approve Directors' fees of S$207,500 for the financial year ending December 31, 2023, payable quarterly in arrears (2022: S$207,500). **(Resolution 5)**

   [See Explanatory Note (c)]

6. To approve the payment of additional Directors' fees of S$30,000 to independent non-executive directors for the financial year ended December 31, 2022 (2021: S$Nil). **(Resolution 6)**

   [See Explanatory Note (c)]

7. To appoint Messrs KPMG LLP as auditors of the Company in place of retiring auditors of the Company, Messrs Ernst & Young LLP, to hold office until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

   [See Explanatory Note (d)]

8. To transact any other ordinary business that may properly be transacted at an Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

9(i) Authority to allot and issue shares and to make or grant convertible instruments

"That pursuant to Section 161 of the Companies Act 1967 (the "**CA**"), the Listing Rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the Company's Constitution, authority be and is hereby given to the Directors of the Company to:-

(A) (i) issue shares of the Company ("**Shares**") whether by way of rights, bonus or otherwise, and/or

(ii) make or grant offers, agreements or options (collectively "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(B) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(a) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company (as calculated in accordance with sub-paragraph (b) below);

(b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (a) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time this Resolution is passed, after adjusting for:-

(i) new shares arising from the conversion or exercise of any convertible securities which were issued and are outstanding or subsisting at the time this Resolution is passed;

(ii) new shares arising from exercising share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed, provided the options or awards were granted in compliance with the provisions of the Listing Manual of the SGX-ST; and

(iii) any subsequent bonus issue, consolidation or subdivision of shares,

and, in sub-paragraph (a) above and this sub-paragraph (b), "subsidiary holdings" has the meaning given to it in the Listing Manual of the SGX-ST;

NOTICE OF ANNUAL GENERAL MEETING

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(d) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier" **(Resolution 8)**

9(ii) Authority to grant awards and to allot and issue shares under the Uni-Asia Group Performance Share Plan ("**PSP**")

"That approval be and is hereby given to the Directors of the Company to:

(A) grant awards in accordance with the provisions of the PSP; and

(B) allot and issue from time to time such number of fully paid-up shares ("**Shares**") as may be required to be delivered pursuant to the vesting of awards under the PSP,

provided that the aggregate number of Shares over which awards may be granted under the PSP on any date, when aggregated with the number of new shares allotted and issued and/or to be allotted and issued and issued shares (including treasury shares) delivered and/or to be delivered, pursuant to awards granted under the PSP, and any shares subject to any other share option or share incentive schemes of the Company, shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the Singapore Exchange Securities Trading Limited) of the Company from time to time." **(Resolution 9)**

9(iii) Proposed Renewal of the Shareholders' Mandate for Interested Person Transactions

"That:

(A) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Chapter 9**"), for the Company, its subsidiaries and associated companies that are considered to be "entities at risk" (as that term is used in Chapter 9), or any of them, to enter into any of the transactions falling within the types of interested person transactions described in the Appendix to Notice of Annual General Meeting dated April 6, 2023 ("**Appendix**"), with any party who is of the class or classes of interested persons described in the Appendix, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions (the "**IPT Mandate**");

(B) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and

(C) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the IPT Mandate and/or this Resolution. **(Resolution 10)**

By Order of the Board

Joanna Lim Lan Sim
Company Secretary

Singapore, April 6, 2023

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes

(a) In relation to Resolution 2 proposed in item 2 above, the duly completed transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02 Singapore 068898 up to 5.00 p.m. on May 18, 2023 will be registered to determine shareholders' entitlement to the proposed dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on May 18, 2023 will be entitled to the proposed dividend.

The proposed dividend, if approved by shareholders at the forthcoming Annual General Meeting of the Company, will be paid on May 31, 2023.

(b) In relation to Resolutions 3 to 4 proposed in items 3 to 4 above, the detailed information on Mr. Yukihiro Toda and Mr. Lee Gee Aik is set out in the section entitled "Board of Directors" and Table 3 in the "Corporate Governance Report" section of the Company's Annual Report 2022.

Mr. Lee Gee Aik has no shareholdings in the Company and its related corporations, and has no relationships with the Company, its substantial shareholders or its officers. Mr. Lee is considered independent by the Board.

(c) In relation to Ordinary Resolution 5 proposed in item 5 above, the Board of Directors proposes the payment of directors' fees to all Independent Non-Executive Directors to be approved by shareholders in advance during the forthcoming Annual General Meeting. Upon approval, the directors' fees would then be paid in arrears on a quarterly basis by the Company.

In relation to Ordinary Resolution 6 proposed in item 6 above, the Board of Directors proposes a one-off payment of additional directors' fees to all Independent Non-Executive Directors to be approved by shareholders during the forthcoming Annual General Meeting. Upon approval, the directors' fees would be paid by the Company. The payment of the additional directors' fees to the three Independent Non-Executive Directors is in recognition of their work and contribution to the Group for the past years and especially in FY2022.

(d) In relation to Ordinary Resolution 7 proposed in item 7 above, the Appendix attached to this notice provides shareholders with information and the rationale relating to the proposed change of the auditors of the Company to be tabled at the Annual General Meeting.

In accordance with the requirements of Rule 1203(5) of the Listing Manual of the SGX-ST:

a) the retiring auditors of the Company, Ernst & Young LLP ("**EY**"), has confirmed that it is not aware of any professional reasons why the new auditors of the Company, KPMG LLP ("**KPMG**"), should not accept appointment as auditors of the Company;

b) the Company confirms that there were no disagreements with the retiring auditors of the Company, EY, on accounting treatments within the last 12 months and up to the date of this Notice of Annual General Meeting;

c) the Company confirms that, other than as set out in the Appendix, it is not aware of any circumstances connected with the proposed change of the auditors of the Company that should be brought to the attention of Shareholders and which has not been disclosed in the Appendix;

d) the Company confirms that the rationale for the proposed change of the auditors of the Company is as disclosed in paragraph 2 of the Appendix. The Company is of the view that it would be timely to effect a change of external auditors as it would enable the Company to benefit from fresh perspectives. Accordingly, the retiring auditors of the Company, EY, will retire and will not be seeking re-appointment as the auditors of the Company at the forthcoming 2023 Annual General Meeting; and

e) the Company confirms that it is or will be in compliance with Rule 712 and Rule 715 of the Listing Manual in relation to the appointment of KPMG LLP as the auditors of the Company. KPMG LLP will also be appointed as the auditors of all the Singapore-incorporated subsidiaries and significant associated companies of the Group.

Statement Pursuant to Article 57 of the Company's Constitution

The effect of the resolutions under the heading "Special Business" in this Notice of the Annual General Meeting is:-

(i) Resolution 8 proposed in item 9(i) above, if passed, will empower the Directors of the Company (unless varied or revoked by the Company in general meeting) from the date of this Annual General Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held, whichever is the earlier, to issue shares and to make or grant instruments (such as warrants or debentures) convertible into shares and issue shares in pursuance of such instruments. The number of shares (including shares to be issued in pursuance of instruments made or granted) that the Directors of the Company may issue under Resolution 8 shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time of the passing of Resolution 8, of which up to twenty per centum (20%) may be issued other than on a pro rata basis to the shareholders. The aggregate number of shares which may be issued shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time that Resolution 8 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time that Resolution 8 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares. As at 16 March 2023 (the "**Latest Practicable Date**"), the Company had no treasury shares and subsidiary holdings.

NOTICE OF ANNUAL GENERAL MEETING

(ii) Resolution 9 proposed in item 9(ii) above, if passed, will authorise the Directors of the Company to grant awards and to allot and issue new Shares pursuant to the Uni-Asia Group Performance Share Plan ("**PSP**"), provided that the aggregate number of Shares over which awards may be granted under the PSP on any date, when aggregated with the number of new shares allotted and issued and/or to be allotted and issued and issued shares (including treasury shares) delivered and/or to be delivered, pursuant to awards granted under the PSP, and any shares subject to any other share option or share incentive schemes of the Company, shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

(iii) Resolution 10 proposed in item 9(iii) above is to renew the mandate to enable the Company, its subsidiaries and associated companies which are considered to be "entities at risk" under Chapter 9 of the Listing Manual of the SGX-ST, or any of them, to enter into certain interested person transactions with specified classes of interested persons, as described in the Appendix. Please refer to the Appendix for more details.

Notes:

(1) The Annual General Meeting will be held, in a wholly physical format, at Anson III, Level 2, M Hotel Singapore, 81 Anson Road, Singapore 079908 on Friday, 28 April 2023 at 2.00 p.m. (Singapore time), pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **There will be no option for shareholders to participate virtually**. The Notice of the Annual General Meeting and proxy form will be sent to shareholders by electronic means via publication on the Company's corporate website at https://uniasia.listedcompany.com/home.html and will also be made available on the SGX website at https://www.sgx.com/securities/company-announcements. Printed copies of these documents will not be sent to shareholders.

(2) Arrangements relating to attendance at the Annual General Meeting by shareholders, including CPF and SRS investors, submission of questions to the Chairman of the Annual General Meeting by shareholders, including CPF and SRS investors, in advance of, or at, the Annual General Meeting, addressing of substantial and relevant questions in advance of, or at, the Annual General Meeting, and voting at the Annual General Meeting by shareholders, including CPF and SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the accompanying Company's announcement dated 6 April 2023. This announcement may be accessed at the Company's website at https://uniasia.listedcompany.com/home.html and the SGX website at https://www.sgx.com/securities/company-announcements.

(3) A member of the Company who is not a relevant intermediary is entitled appoint not more than two proxies to attend, speak and vote at the Annual General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

(4) Any member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

(5) A proxy need not be a member of the Company.

(6) The Proxy Form can be submitted in the following manner by 2.00 p.m. on 25 April 2023, being not less than 72 hours before the time appointed for the holding of the Annual General Meeting:

a. if submitted by post, be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02 Singapore 068898; or

b. if submitted electronically, be submitted via email to the Company's Share Registrar, Tricor Barbinder Share Registration Services at sg.is.proxy@sg.tricorglobal.com,

A Shareholder who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before scanning and sending it by email to the email address provided above, or submitting it by post to the address provided above. Shareholders are strongly encouraged to submit completed proxy forms electronically via email.

(7) The instrument appointing a proxy(ies) must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal or under the hand of its authorised officer(s) or its attorney duly authorized.

NOTICE OF ANNUAL GENERAL MEETING

(8) Where an instrument appointing a proxy(ies) is submitted by email, it must be authorised in the following manner:

a. by way of the affixation of an electronic signature by the appointor or his/her duly authorised attorney or, as the case may be an officer or duly authorised attorney of a corporation; or

b. by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the Annual General Meeting to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the Annual General Meeting as proxy for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance list, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

ADDITIONAL INFORMATION ON AGM

ANNUAL GENERAL MEETING TO BE HELD AT ANSON III, LEVEL 2, M HOTEL SINGAPORE, 81 ANSON ROAD, SINGAPORE 079908 ON 28 APRIL 2023 AT 2.00 P.M. ("AGM")

1. **Background**. The Board of Directors (the "**Board**") of Uni-Asia Group Limited (the "**Company**") refers to:

   (a) the COVID-19 (Temporary Measures) Act 2020 which enables the Minister for Law by order to prescribe alternative arrangements for listed companies in Singapore to convene, hold or conduct general meetings;

   (b) the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Order**") which sets out the alternative arrangements in respect of, *inter alia*, general meetings of companies; and

   (c) the joint statement by the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation ("**SGX RegCo**") of 13 April 2020 (and subsequently updated on 27 April 2020, 22 June 2020, 1 October 2020 and 4 February 2022), read together with the FAQs on "The Holding of General Meetings" dated 23 May 2022 issued by SGX RegCo, which provides guidance on the conduct of general meetings amid the evolving COVID-19 situation.

2. **Date, time and place of the AGM**. The Company wishes to announce that pursuant to the Order, the AGM will be convened and held, in a wholly physical format, at Anson III, Level 2, M Hotel Singapore, 81 Anson Road, Singapore 079908 on **Friday, 28 April 2023 at 2.00 p.m.** (Singapore time) to transact the business set out in the Notice of AGM. **There will be no option for shareholders to participate virtually**.

   Substantial and relevant questions that are submitted by shareholders in advance will be addressed at the AGM or through SGXNet announcement to be released before the AGM.

3. **Notice of AGM and proxy form**. The Notice of AGM and proxy form will be sent to shareholders by electronic means via publication on the Company's corporate website and will also be made available on the SGX website[1]. Printed copies of these documents will not be sent to shareholders.

4. **Arrangements for participation in the AGM**. Shareholders (including CPF and SRS investors) may participate in the AGM by:

   (a) attending the AGM in person;

   (b) submitting questions to the Chairman of the Meeting in advance of, or at, the AGM; and/or

   (c) voting at the AGM (i) themselves; or (ii) through their duly appointed proxy(ies)[2]

   Details of the steps for registration, submission of questions and voting at the AGM by shareholders, including CPF and SRS investors, are set out in the Appendix to this announcement. In particular, CPF and SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on 18 April 2023**.

[1] The Notice of AGM and proxy form may be accessed on the Company's corporate website at https://uniasia.listedcompany.com/home.html and on the SGX website at https://www.sgx.com/securities/company-announcements.

[2] For the avoidance of doubt, CPFIS and SRS investors will not be able to appoint third party proxy(ies) (i.e., persons other than the Chairman of the Meeting) to attend, speak and/or vote at the AGM on their behalf.

ADDITIONAL INFORMATION ON AGM

5. **Persons who hold shares through relevant intermediaries**. Persons who hold the Company's shares through relevant intermediaries (as defined in section 181 of the Companies Act 1967 of Singapore), other than CPF and SRS investors, and who wish to participate in the AGM by:

   (a) attending the AGM in person;

   (b) submitting questions to the Chairman of the Meeting in advance of, or at, the AGM; and/or

   (c) voting at the AGM (i) themselves; or (ii) by appointing the Chairman of the AGM as proxy to attend, speak and vote on their behalf at the AGM,

   should contact the relevant intermediary through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

6. **Annual Report**. The Annual Report (which includes the Appendix to the Notice of AGM in relation to the proposed change of auditors and the proposed renewal of the shareholders' mandate for interested person transactions) dated 6 April 2023 has been published and is available on the Company's corporate website at https://uniasia.listedcompany.com/ar.html.

7. **Key dates/deadlines**. In summary, the key dates/deadlines which shareholders should take note of are set out in the table below:

Key dates	Actions
14 April 2023 (Friday)	Deadline for shareholders to submit questions in advance.
5.00 p.m. on 18 April 2023 (Tuesday)	Deadline for CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy to approach their respective CPF Agent Banks or SRS Operators to submit their votes.
21 April 2023 (Friday)	For substantial and relevant questions received from shareholders on or before 14 April 2023, the Company will publish its responses on SGXNet and on the Company's corporate website at https://uniasia.listedcompany.com/home.html after-market hours on (or about) 21 April 2023, and, in any event, no later than 72 hours prior to the deadline for shareholders to submit proxy forms.
2.00 p.m. on 25 April 2023 (Tuesday)	Deadline for shareholders to submit proxy forms.
Date and time of the AGM – 2.00 p.m. on 28 April 2023 (Friday) **Registration commences at 1.00 p.m.**	Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies may attend the AGM in person at Anson III, Level 2, M Hotel Singapore, 81 Anson Road, Singapore 079908. **There will be no option to participate virtually**. Please bring along your NRIC/passport to enable the Company to verify your identity. The Company reserves the right to refuse admittance to the AGM if the attendee's identity cannot be verified accurately.
5.00 p.m. on 18 May 2023 (Thursday)	Record date for determining entitlements to final and special dividend, subject to shareholders' approval at the AGM.
5.00 p.m. on 31 May 2023 (Wednesday)	Payment date for final and special dividend, subject to shareholders' approval at the AGM.

ADDITIONAL INFORMATION ON AGM

8. **Further information**. For more information on the AGM, shareholders can contact the Company at webcast@septusasia.com or the Company's Share Registrar at sg.is.proxy@sg.tricorglobal.com.

9. **Important reminder**. Shareholders are reminded to check our corporate website at https://uniasia.listedcompany.com/home.html or SGXNet at https://www.sgx.com/securities/company-announcements for the latest updates on the status of the AGM.

For and on behalf of
Uni-Asia Group Limited

6 April 2023

ADDITIONAL INFORMATION ON AGM

APPENDIX

Steps for pre-registration, submission of questions and voting at the AGM

Shareholders (including CPF and SRS investors) can attend the AGM in person, submit questions to the Chairman of the AGM in advance of, or at, the AGM and/or vote at the AGM by themselves or through duly appointed proxy(ies)[3].

To do so, they will need to complete the following steps:

No.	Steps	Details
1.	**Register in person to attend the AGM**	**Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies can attend the AGM in person**. To do so, they will need to register in person at the registration counter(s) outside the AGM venue on the day of the event. Registration will commence at 1.00 p.m. on that day. Please bring along your NRIC/passport to enable the Company to verify your identity. The Company reserves the right to refuse admittance to the AGM if the attendee's identity cannot be verified accurately. **As voting at the physical meeting will be conducted via an online platform, please also bring along a web-browser enabled device in order to access the voting function at the AGM.** Shareholders are advised not to attend the AGM if they are feeling unwell.
2.	**Submit questions in advance of, or at the AGM**	**Shareholders, including CPF and SRS investors, can submit questions in advance of, or at, the AGM**. **Submission of substantial and relevant questions in advance of the AGM**. Shareholders, including CPF and SRS investors, can submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM to the Chairman of the AGM, in advance of the AGM, in the following manner: (a) **Via email** to webcast@septusasia.com; or (b) **Via the Company's corporate website**: https://uniasia.listedcompany.com/home.html **Deadline to submit questions in advance of the AGM**. All questions in advance of the AGM via any of the above channels must be received by **14 April 2023** in order to give the Company sufficient time to process and address the substantial and relevant ones. **Asking substantial and relevant questions at the AGM**. Shareholders, including CPF and SRS Investors, and (where applicable) duly appointed proxies can also ask the Chairman of the AGM substantial and relevant questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.

[3] See footnote 2 on page 169.

ADDITIONAL INFORMATION ON AGM

<table>
<tr><th>No.</th><th>Steps</th><th>Details</th></tr>
<tr><td></td><td></td><td> Addressing questions. The Company will address substantial and relevant questions received from shareholders by the 14 April 2023 submission deadline by publishing its responses to such questions on SGXNet and on the Company’s corporate website at https://uniasia.listedcompany.com/home.html after-market hours on (or about) 21 April 2023, and, in any event, no later than 72 hours prior to the deadline for shareholders to submit proxy forms. The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) received after the 14 April 2023 submission deadline which have not already been addressed prior to the AGM, as well as those substantial and relevant questions received at the AGM, at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed. Minutes of AGM. The Company will publish the minutes of the AGM on the Company’s corporate website and on SGXNet, and the minutes will include the responses to substantial and relevant questions from shareholders which are addressed during the AGM, if any. </td></tr>
<tr><td>3.</td><td>Submit proxy forms to vote</td><td> Shareholders can vote at the AGM themselves or through duly appointed proxy(ies)[4]. Shareholders who wish to appoint a proxy(ies) <u>must</u> submit a proxy form. Specific voting instructions to be given. Shareholders must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid. Submission of proxy forms. Proxy forms must be submitted in the following manner: (a) if submitted by post, be deposited at the office of the Company’s Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road #11-02, Singapore 068898; or (b) if submitted electronically, be submitted via email to the Company’s Share Registrar, Tricor Barbinder Share Registration Services at sg.is.proxy@sg.tricorglobal.com, in either case, by 2.00 p.m. on 25 April 2023. A shareholder who wishes to submit a proxy form must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. </td></tr>
</table>

[4] See footnote 2 on page 169.

ADDITIONAL INFORMATION ON AGM

No.	Steps	Details
		Deemed revocation of proxy appointment if shareholder attends the AGM in person. Completion and submission of the proxy form by a shareholder will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the shareholder attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant proxy form to the AGM. **CPF and SRS investors**. CPF and SRS investors: (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on 18 April 2023**.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr. Yukihiro Toda and Mr. Lee Gee Aik are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on Friday, April 28, 2023 ("**AGM**") (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

Appendix 7.4.1 Disclosure	**Mr. Yukihiro Toda**	**Mr. Lee Gee Aik**
Date of initial appointment	1 March 2018	4 January 2016
Date of last re-election	30 April 2021	4 June 2020
Age	60	64
Country of principal residence	Japan	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr. Toda as the Executive Director was recommended by the Nominating Committee and the Board has accepted the recommendation after taking into consideration his qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The Board of Directors of the Company has considered the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation and suitability of Mr. Lee Gee Aik for re-election as Independent Non-Executive Director of the Company. The Board has reviewed and concluded that Mr. Lee Gee Aik possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive	Non-Executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director	Lead Independent Non-Executive Director, Chairman of the Audit Committee and a Member of both the Nominating and Remuneration Committees.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Appendix 7.4.1 Disclosure	Mr. Yukihiro Toda	Mr. Lee Gee Aik
Professional qualifications	Bachelor of Economics Degree from Yokohama National University in 1985	• Master in Business Administration from Henley Management College, United Kingdom. • Qualified as a Chartered Certified Accountant with The Association of Chartered Certified Accountants, United Kingdom. • Fellow member of The Association of Chartered Certified Accountants, United Kingdom and The Institute of Singapore Chartered Accountants.
Working experience and occupation(s) during the past 10 years	Chief Investment Officer of Uni-Asia Capital (Japan) Ltd. since February 2000. From 1985 to 1998, he worked for The Hokkaido Takushoku Bank, Ltd. in Tokyo, Korea and Hong Kong, and HSBC Securities Tokyo Branch.	Practising Accountant
Shareholding interest in the listed issuer and its subsidiaries	123,105 ordinary shares	None
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries.	Executive Director and shareholder of the Company	No
Conflict of interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships	Full time employment with the Uni-Asia Group	Chief Financial Officer/ Financial Director of AlphaRock Family Office Pte Ltd
Past (for the last 5 years)	Nil	• International Healthway Corporation Limited • LHN Limited
Present	• Uni-Asia Group Limited • Uni-Asia Holdings Limited • Uni-Asia Capital (Japan) Ltd.	• Uni-Asia Group Limited • Anchun International Limited • SHS Holdings Limited • Astaka Holdings Limited

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Appendix 7.4.1 Disclosure	Mr. Yukihiro Toda	Mr. Lee Gee Aik
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c) Whether there is any unsatisfied judgement against him?	No	No
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Appendix 7.4.1 Disclosure	Mr. Yukihiro Toda	Mr. Lee Gee Aik
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Appendix 7.4.1 Disclosure	Mr. Yukihiro Toda	Mr. Lee Gee Aik
i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	Yes When Mr. Lee Gee Aik was the Independent and Non-Executive director of Astaka Holdings Limited (“Astaka”), SGX-ST had in 2020 issued a show cause letter to the Board to make representations for potential breaches of Catalist Rules. Astaka and the relevant persons were previously engaged in correspondences with the SGX-ST in relation to this matter. Subsequently, the SGX Listings Disciplinary Committee had on 17 August 2021 issued its grounds of decision to Astaka in relation to the aforesaid matter which includes the public reprimand issued to Astaka, its former Executive Officer and former Chief Financial Officer for breaching the Catalist Rules (the “Public Reprimand”). For the avoidance of doubt, Mr Lee was not named in the Public Reprimand and has not been implicated in any breach of the Catalist Rules. There has not been any further development from the SGX-ST since then.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Appendix 7.4.1 Disclosure	Mr. Yukihiro Toda	Mr. Lee Gee Aik
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	Yes Please refer to (j)i. above for full details.
Disclosure applicable to the appointment of Director only		
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Yes Currently an Executive Director of Uni-Asia Group Limited	Yes Currently, a director of the following listed companies:- Independent Non-Executive Director • Uni-Asia Group Limited • Anchun International Limited • SHS Holdings Limited Non-Independent Non-Executive Director • Astaka Holdings Limited

If you are in any doubt as to the contents herein or as to the course of action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all of your shares in the capital of Uni-Asia Group Limited (the "**Company**"), you should immediately forward this Appendix together with the Notice of Annual General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Appendix.

UNI-ASIA GROUP LIMITED

Company Registration No.: 201701284Z
Incorporated in the Republic of Singapore

APPENDIX TO THE

NOTICE OF ANNUAL GENERAL MEETING

DATED 6 APRIL 2023

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In this Appendix, the following definitions apply throughout unless otherwise stated:

"**2022 AGM**"	:	The annual general meeting of the Company held on 29 April 2022
"**2022 Appendix**"	:	The appendix to the notice of the 2022 AGM dated 7 April 2022
"**2023 AGM**"	:	The annual general meeting of the Company to be held on 28 April 2023
"**ACRA**"	:	The Accounting and Corporate Regulatory Authority of Singapore
"**Audit Committee**"	:	The audit committee of the Company, comprising Lee Gee Aik, Philip Chan Kam Loon and Juliana Lee Kim Lian
"**Auditors**"	:	The auditors of the Company as appointed from time to time
"**CDP**"	:	The Central Depository (Pte) Limited
"**Company**"	:	Uni-Asia Group Limited
"**Directors**"	:	The directors of the Company from time to time
"**Group**"	:	The Company and its subsidiaries, collectively
"**Independent Directors**"	:	The Directors who are considered to be independent in relation to the proposed renewal of the Shareholders' Mandate for Interested Person Transactions, being, as at the Latest Practicable Date, Michio Tanamoto, Kenji Fukuyado, Masahiro Iwabuchi, Yukihiro Toda, Lee Gee Aik, Philip Chan Kam Loon and Juliana Lee Kim Lian
"**Latest Practicable Date**"	:	16 March 2023, being the latest practicable date prior to the printing of this Appendix
"**Listing Manual**"	:	The listing manual of the SGX-ST, as amended and modified from time to time
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**NTA**"	:	Total net assets less intangible assets
"**Securities Accounts**"	:	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholders**"	:	Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares
"**Shareholders' Mandate**" or "**Shareholders' Mandate for Interested Person Transactions**"	:	The general mandate for interested person transactions pursuant to Chapter 9 of the Listing Manual
"**Shares**"	:	Ordinary shares in the capital of the Company

"**%**" or "**per cent.**"	:	Per centum
"**S$**"	:	The lawful currency of Singapore
"**US$**" or "**US cents**"	:	The lawful currency of the United States of America

The terms "**Depositor**" and "**Depository Agent**" shall have the meanings ascribed to them in Section 81SF of the Securities and Futures Act 2001 of Singapore.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

The headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the Listing Manual or any statutory modification thereof and not otherwise defined in this Appendix shall have the same meaning assigned to it under the Companies Act or the Listing Manual or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Appendix is made by reference to Singapore time unless otherwise stated.

Any discrepancies in figures included in this Appendix between the amounts listed and the totals thereof are due to rounding.

1. INTRODUCTION

1.1 **Background.** The Company refers to Resolutions 7 and 10 of the notice of the 2023 AGM of the Company. Resolutions 7 and 10 are Ordinary Resolutions to be proposed at the 2023 AGM for (a) the proposed change of Auditors of the Company and (b) the proposed renewal of the Shareholders' Mandate for Interested Person Transactions, respectively.

1.2 **Appendix.** The purpose of this Appendix is to provide Shareholders with information relating to Resolutions 7 and 10.

2. THE PROPOSED CHANGE OF AUDITORS

2.1 **Background and Rationale for the Proposed Change of Auditors.** The Company's existing auditors, Ernst & Young LLP, has served as the Auditors of the Group since 1 August 2008 and have last been re-appointed at the annual general meeting on 29 April 2022 to hold office until the conclusion of the next annual general meeting scheduled on 28 April 2023.

The Directors are of the view that it would be timely to effect a change of external auditors as it would enable the Company to benefit from fresh perspectives. KPMG LLP was selected for the proposed appointment after the Audit Committee evaluated competitive proposals from various audit firms. The Audit Committee has reviewed and taken into consideration the Audit Quality Indicators Disclosure Framework issued by the ACRA and factors such as the adequacy of the resources, the audit engagements and the experience of KPMG LLP, the number and experience of the supervisory and professional staff who will be assigned to the audit of the accounts of the Company and its subsidiaries (the "**Group**"). The proposed fee of KPMG LLP reflects the current scale of the Group's operations and scope of work needed to perform to achieve audit quality. After evaluation, the Audit Committee recommended that KPMG LLP be appointed as the Auditors of the Company for the financial year ending 31 December 2023 on the basis that it best suits the current business and operational needs of the Group.

The Directors have taken into account the Audit Committee's recommendation, including the factors considered in their evaluation, and are satisfied that KPMG LLP will be able to meet the audit requirements of the Company and the Group.

The scope of audit services to be provided by KPMG LLP will be comparable to the services currently provided by Ernst & Young LLP. As such, the Directors are proposing a change of Auditors to KPMG LLP in place of Ernst & Young LLP. Accordingly, the retiring Auditors, Ernst & Young LLP will retire and will not be seeking re-appointment as Auditors of the Company at the forthcoming 2023 AGM of the Company. KPMG LLP had on 10 March 2023 given its written consent to act as Auditors of the Company, subject to the approval of Shareholders at the 2023 AGM.

The retirement of Ernst & Young LLP and the appointment of KPMG LLP as Auditors of the Company will take effect upon the approval by the Shareholders at the 2023 AGM.

2.2 **Confirmation.** In accordance with the requirements Rule 1203(5) of the Listing Manual of the SGX-ST, as amended from time to time (the "**Listing Manual**"):

(a) the retiring Auditor, Ernst & Young LLP, has confirmed that it is not aware of any professional reasons why the new Auditor, KPMG LLP, should not accept appointment as Auditor of the Company;

(b) the Company confirms that there were no disagreements with the retiring Auditor, Ernst & Young LLP, on accounting treatments within the last 12 months;

(c) the Company confirms that, other than as set out above, it is not aware of any circumstances connected with the proposed change of Auditor that should be brought to the attention of Shareholders; and

(d) the Company confirms that it is or will be in compliance with Rule 712 and Rule 715 of the Listing Manual in relation to the appointment of KPMG LLP as the Auditor of the Company. KPMG LLP will also be appointed as the auditors of all the Singapore-incorporated subsidiaries and significant associated companies of the Group.

2.3 **Information on KPMG LLP and the Audit Partner-in-Charge.** KPMG LLP in Singapore is a member firm of KPMG International, an international network of member firms offering audit, tax and advisory services in 143 countries and territories with more than 265,000 employees across a range of disciplines. KPMG LLP is registered with ACRA. It is one of the largest professional services firms in Singapore today, and has a wide-ranging clientele base consisting of business corporations, governments and public sector agencies and not-for-profit organisations across industries. The size of the audit function of KPMG LLP in Singapore is over 1,400 professional staff including 47 audit partners as at 31 January 2023.

The audit partner who will be in charge of the audit is Kenny Tan Choon Wah, who is a Fellow of the Institute of Singapore Chartered Accountants, as well as a public accountant registered with ACRA. Mr Tan has 30 years of experience in auditing clients in the shipping and real estate sectors. He is also the Head of Shipping of KPMG Singapore. The audit team for the Company will be led by Mr Tan, who will be supported by two senior managers with relevant credentials in shipping and real estate and a team of audit professionals within the KPMG network.

For more information about KPMG LLP, please visit http://www.kpmg.com/SG/EN/Pages/default.aspx.

3. THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

3.1 **Introduction.** At the 2022 AGM, Shareholders had approved the renewal of the general mandate for interested person transactions (the "**Shareholders' Mandate**" or "**Shareholders' Mandate for Interested Person Transactions**"). The terms of the Shareholders' Mandate for Interested Person Transactions were set out in the 2022 Appendix.

The Shareholders' Mandate for Interested Person Transactions enables the Company, its subsidiaries and associated companies that are considered to be "entities at risk" within the meaning of Chapter 9 of the Listing Manual, to enter in the ordinary course of business into any of the mandated transactions with specified classes of the Company's interested persons, provided that such transactions are made on normal commercial terms, are not prejudicial to the interests of the Company and its minority Shareholders, and are in accordance with the review procedures for such transactions.

3.2 **Annual Renewal of the Shareholders' Mandate for Interested Person Transactions.** The Shareholders' Mandate for Interested Person Transactions was expressed to take effect until the conclusion of the 2023 AGM, which is scheduled to be held on 28 April 2023. Accordingly, the Directors propose that the Shareholders' Mandate for Interested Person Transactions be renewed at the 2023 AGM, to take effect until the conclusion of the next annual general meeting of the Company (unless sooner revoked or varied by the Company in general meeting).

3.3 **Particulars of the Shareholders' Mandate for Interested Person Transactions to be renewed.** The nature of the interested person transactions and the classes of interested persons in respect of which the Shareholders' Mandate for Interested Person Transactions is sought to be renewed remain unchanged. Particulars of the Shareholders' Mandate for Interested Person Transactions, including the rationale for the Shareholders' Mandate for Interested Person Transactions, the benefits to be derived by the Company, as well as the review procedures for determining transaction prices with the specified classes of interested persons, are set out in paragraph 3.6 and 3.10 of this Appendix.

3.4 **Audit Committee's Confirmation.** For the purposes of Rule 920(1)(c) of the Listing Manual, the Audit Committee confirms that:

(a) the methods or procedures for determining the transaction prices have not changed since the 2022 AGM; and

(b) the methods or procedures set out in sub-paragraph (a) above for determining the transaction prices under the Shareholders' Mandate for Interested Person Transactions, if adhered to, are sufficient to ensure that the Mandated Transactions will be on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

3.5 **Chapter 9 of the Listing Manual.**

3.5.1 Chapter 9 of the Listing Manual governs transactions between a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be "at risk", with the listed company's interested persons.

3.5.2 Except for any transaction which is below S$100,000 in value and certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested persons and hence are excluded from the ambit of Chapter 9, when this Chapter applies to a transaction with an interested person and the value of the transaction alone or in aggregation with other transactions conducted with the same interested person during the financial year reaches or exceeds certain materiality thresholds (which are based on the listed company's latest audited consolidated NTA), the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders' approval for the transaction. In particular, shareholders' approval is required for an interested person transaction of a value equal to, or exceeding:

(a) 5.0% of the listed company's latest audited consolidated NTA; or

(b) 5.0% of the listed company's latest audited consolidated NTA, when aggregated with the values of all other transactions entered into with the "same interested person" (as such term is construed under Chapter 9 of the Listing Manual) during the same financial year.

3.5.3 Based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2022, the consolidated NTA of the Group was US$151.2 million. Accordingly, in relation to the Group, for the purposes of Chapter 9 of the Listing Manual, in the current financial year and until such time as the audited consolidated financial statements of the Group for the financial year ending 31 December 2022 are published, 5.0% of the Group's latest audited consolidated NTA would be US$7.5 million.

3.5.4 Chapter 9 of the Listing Manual, however, allows a listed company to seek a mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not for the purchase or sale of assets, undertakings or businesses) which may be carried out with the listed company's interested persons. A general mandate is subject to annual renewal.

3.5.5 For the purposes of Chapter 9 of the Listing Manual:

(a) an "**approved exchange**" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles as Chapter 9;

(b) an "**associate**" in relation to an interested person who is a director, chief executive officer or controlling shareholder, includes an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer or controlling shareholder, the trustees of any trust of which the director/his immediate family, the chief executive officer/his immediate family or the controlling shareholder/his immediate family is a beneficiary, or in the case of a discretionary trust, is a discretionary object, and any company in which the director/his immediate family, the chief executive officer/his immediate family or the controlling shareholder/his immediate family has or have an aggregate interest (directly or indirectly) of 30% or more, and, where a controlling shareholder is a corporation, its subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an interest of 30% or more;

(c) an "**associated company**" means a company in which at least 20% but not more than 50% of its shares are held by the listed company or group;

(d) an "**entity at risk**" means:

  (i) the listed company;

  (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or

  (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the "**listed group**"), or the listed group and its interested person(s), has control over the associated company;

(e) an "**interested person**" means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder. The SGX-ST may also deem any person or entity to be an interested person if the person or entity has entered into, or proposes to enter into (i) a transaction with an entity at risk, and (ii) an agreement or arrangement with an interested person in connection with that transaction;

(f) an "**interested person transaction**" means a transaction between an entity at risk and an interested person;

(g) a "**transaction**" includes the provision or receipt of financial assistance; the acquisition, disposal or leasing of assets; the provision or receipt of services; the issuance or subscription of securities; the granting of or being granted options; and the establishment of joint ventures or joint investments, whether or not entered into in the ordinary course of business, and whether entered into directly or indirectly; and

(h) in interpreting the term "**same interested person**" for the purpose of aggregation of the values of all transactions entered into with the same interested person during the same financial year under Rules 905 and 906 of Chapter 9 of the Listing Manual, the following applies:

  (i) transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person; and

  (ii) if an interested person (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons and their associates and have audit committees whose members are completely different.

3.6 **Rationale and Benefit to Shareholders.**

3.6.1 It is envisaged that in the ordinary course of their businesses, transactions between companies in the Entity at Risk Group (as defined below) and the Company's interested persons are likely to occur from time to time. Such transactions would include, but are not limited to, the provision of services in the ordinary course of business by the Entity at Risk Group to the Company's interested persons.

3.6.2 In view of the time-sensitive and recurrent nature of commercial transactions, the obtaining of the Shareholders' Mandate pursuant to Chapter 9 of the Listing Manual will enable:

(a) the Company;

(b) subsidiaries of the Company (excluding other subsidiaries listed on the SGX-ST or an approved exchange); and

(c) associated companies of the Company (other than an associated company that is listed on the SGX-ST or an approved exchange) over which the Company, or the Company and its interested person(s), has or have control,

(together, the "**Entity at Risk Group**"), or any of them, in the ordinary course of their businesses, to enter into the categories of transactions ("**Mandated Transactions**") set out in paragraph 3.9 below with the specified classes of the Company's interested persons ("**Mandated Interested Persons**") set out in paragraph 3.8 below, provided such Mandated Transactions are made on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

3.6.3 The Shareholders' Mandate (and its subsequent renewal thereafter on an annual basis) will enhance the ability of companies in the Entity at Risk Group to pursue business opportunities which are time-sensitive in nature, and will eliminate the need for the Company to announce, or to announce and convene separate general meetings, on each occasion to seek shareholders' prior approval for the entry by the relevant company in the Entity at Risk Group into such transactions. This will substantially reduce the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficacy considerably, and allow manpower resources and time to be channelled towards attaining corporate objectives.

3.6.4 During the last financial year ended 31 December 2022, the Entity at Risk Group has, in the ordinary course of business, provided services falling within the categories of Mandated Transactions to the Mandated Interested Persons and has charged a fee(s) for such services depending on the nature of the services provided.

3.7 **Scope and Validity Period of the Shareholders' Mandate.**

3.7.1 The Shareholders' Mandate covers various types of Mandated Transactions under each category of activities to which the Shareholders' Mandate applies, and describes the review procedures for ensuring that such transactions will be entered into with the specified classes of Mandated Interested Persons on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

3.7.2 The Shareholders' Mandate will not apply to any transaction by a company in the Entity at Risk Group with a Mandated Interested Person that:

(a) is below S$100,000 in value, as the threshold and aggregation requirements contained in Chapter 9 of the Listing Manual would not apply to such transactions; or

(b) is equal to or exceeds S$100,000 in value, but qualifies as an excepted transaction for the purposes of Chapter 9 of the Listing Manual and is thus exempted from the threshold and aggregation requirements contained in Chapter 9 of the Listing Manual.

The Shareholders' Mandate would, however, cover transactions by a company in the Entity at Risk Group with a Mandated Interested Person with values below S$100,000 entered into during the same financial year and which are aggregated by the SGX-ST under Chapter 9 of the Listing Manual and treated as if they were one interested person transaction which has a value of S$100,000 or more.

Transactions with interested persons (including the Mandated Interested Persons) that do not fall within the ambit of either of the exceptions in (a) or (b) above, or the scope of the Shareholders' Mandate, will be subject to the relevant provisions of Chapter 9 of the Listing Manual and/or other applicable provisions of the Listing Manual.

3.7.3 The Shareholders' Mandate will take effect from the passing of Resolution 10, being the Ordinary Resolution relating thereto, and will continue in force until the conclusion of the next annual general meeting of the Company (unless sooner revoked or varied by the Company in general meeting). Approval from Shareholders will be sought for the renewal of the Shareholders' Mandate at the next annual general meeting and at each subsequent annual general meeting of the Company, subject to satisfactory review by the Audit Committee of its continued application to the Mandated Transactions.

3.8 **Classes of Mandated Interested Persons.** The Shareholders' Mandate will apply to the Mandated Transactions that are carried out with Yamasa Co., Ltd (a controlling shareholder of the Company) and its associates. The Group currently provides services to Yamasa Co., Ltd and/or its associates. The Group currently has and may from time to time also have a minority equity investment in some of these associates[1]. Accordingly, the Shareholders' Mandate will also apply to the Mandated Transactions that are carried out with these associates.

3.9 **Categories of Mandated Transactions.** The Mandated Transactions to which the Shareholders' Mandate will apply are set out below:

3.9.1 the provision by the Entity at Risk Group of brokerage services for the charter of ships, and the sale and purchase of ships and properties;

3.9.2 the provision by the Entity at Risk Group of administrative services (including but not limited to the establishment and maintenance of bank account(s), bookkeeping, preparation of insurance and tax records);

3.9.3 the provision by the Entity at Risk Group of commercial management services for ships (including but not limited to the arrangement of employment, bunker fuels, insurance and surveys for the ships and the appointment of agents for the ships);

3.9.4 the provision by the Entity at Risk Group of (a) technical consultancy services for newbuildings (including but not limited to services relating to advice on newbuilding specifications, and the review and approval of drawings of newbuildings) and (b) shipbuilding supervision services (including but not limited to services relating to inspection of materials, machinery and equipment before installation on the newbuilding, attendance of sea trials and surveys, and monitoring of the progress of construction work);

3.9.5 the provision by the Entity at Risk Group of construction management services for small residential property development projects (including but not limited to services relating to sourcing for suitable sites and overseeing design and construction of projects);

3.9.6 the provision by the Entity at Risk Group of property management services for completed residential properties (including but not limited to services relating to leasing management);

[1] Such associates in which the Group had a minority equity investment, as at the Latest Practicable Date, are Olive Bulkship S.A., Polaris Bulkship S.A., Quest Bulkship S.A., Stella Bulkship S.A., Tiara Bulkship S.A., Unicorn Bulkship S.A. and Victoria Bulkship S.A.. As at the Latest Practicable Date, the Group has an equity interest of 18% in each of these associates.

3.9.7 the provision by the Entity at Risk Group of advisory services (including but not limited to advisory services relating to investment advice on asset acquisitions); and

3.9.8 the provision by the Entity at Risk Group of such other services which are incidental to or in connection with the provision of services in paragraphs 3.9.1 to 3.9.7 above.

3.10 **Review Procedures for Mandated Transactions with Mandated Interested Persons.** The Entity at Risk Group has an internal control system in place to ensure that Mandated Transactions with the Mandated Interested Persons are made on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders, and are consistent with the Entity at Risk Group's usual policies and practices.

In particular, the following review procedures have been implemented:

3.10.1 ***Review Procedures***

(a) all contracts entered into or transactions with Mandated Interested Persons by the Entity at Risk Group are to be carried out at prevailing market rates or prices on terms which are no more favourable to the Mandated Interested Persons than the usual commercial terms extended to unrelated third parties in recent transactions or otherwise in accordance with applicable industry norms. At least two most recent comparable contracts entered into by the Entity at Risk Group with unrelated third parties will be used as a basis for comparing and determining the price and commercial terms to be offered to the Mandated Interested Persons, after taking into account, amongst others, if applicable, factors such as but not limited to prevailing market conditions (such as supply and demand for such services); and

(b) in the limited circumstances where the prevailing market rates or prices are not available due to the nature of service to be provided or in the circumstances where it is impractical or impossible to compare against recent contracts entered into by the Entity at Risk Group with unrelated third parties, the Entity at Risk Group's pricing for such services to be provided to Mandated Interested Persons is determined in accordance with the Entity at Risk Group's usual business practices and pricing policies, consistent with the usual margin to be obtained by the Entity at Risk Group for the same or substantially similar type of contract or transaction with unrelated third parties. In determining the transaction price payable by the Mandated Interested Persons for such services, non-price factors such as, but not limited to, customer requirements, specifications, duration of contract, strategic purposes of the transaction (including benefits of, and rationale for, transacting with the Mandated Interested Persons), customers' credit standing, transaction volume, size of the transaction, delivery requirements, resources available to the Entity at Risk Group, length of business relationship, potential for future repeat business, prevailing market conditions and demand for such services will be taken into account.

3.10.2 ***Threshold Limits***

For the purposes of sub-paragraphs (a), (b) and (c) below, the "Financial Limit" shall be the amount equivalent to 3.0% of the Group's audited consolidated NTA for the time being, as determined by reference to the Group's latest announced audited consolidated financial statements.

In addition to the above review procedures, the following review and approval procedures will apply to the Mandated Transactions:

(a) transactions equal to or exceeding S$100,000 but below the Financial Limit (as defined above) each in value, will be reviewed and approved prior to their entry by, as the case may be:

(i) ***where the transaction involves the provision of services to a Mandated Interested Person in which the Group has an equity investment:*** the Review Committee of the Company (the "**Review Committee**"), being a committee appointed by the Company's Chief Executive Officer and authorised to review and approve, amongst others, transactions entered into in connection with investments to be made by the Group (such as services provided to a joint venture between the Group and a Mandated Interested Person). As at the Latest Practicable Date, the members of the Review Committee comprise of Kenji Fukuyado (Chief Executive Officer), Michio Tanamoto (Executive Chairman), Masahiro Iwabuchi (Executive Director), Yukihiro Toda (Executive Director) and Lim Kai Ching (Group Chief Financial Officer); or

(ii) ***where the transaction involves the provision of services to a Mandated Interested Person in which the Group does not have an equity investment:*** the Management Committee of the Company (the "**Management Committee**"), being a committee appointed by the Company's Chief Executive Officer and authorised to review and approve, amongst others, transactions that do not involve investments to be made by the Group or transactions which are not entered into in connection with such investments. As at the Latest Practicable Date, the members of the Management Committee comprise of Kenji Fukuyado (Chief Executive Officer), Michio Tanamoto (Executive Chairman), Masahiro Iwabuchi (Executive Director), Yukihiro Toda (Executive Director), Lim Kai Ching (Group Chief Financial Officer) and Matthew Yuen Wai Keung (Managing Director).

Transactions equal to or exceeding S$100,000 but below the Financial Limit are also tabled for review by the Audit Committee on a quarterly basis;

(b) transactions equal to or exceeding the Financial Limit each in value will be reviewed and approved by the Audit Committee prior to their entry;

(c) where the value of a transaction, when aggregated with previous transactions of the same kind in any particular financial year, is equal to or exceeds the Financial Limit, such transaction, and all future transactions of the same kind in that particular financial year will be reviewed and approved by the Audit Committee prior to their entry; and

(d) the Review Committee, the Management Committee or, as the case may be, the Audit Committee, may, as it deems fit, request for additional information pertaining to the transaction under review from independent sources or advisers.

3.10.3 ***Other Review Procedures***

The following will apply to the review and approval process:

(a) if any member of the Review Committee or, as the case may be, the Management Committee has an interest in the transaction or is a nominee for the time being of the Mandated Interested Person, he shall abstain from participating in the review and approval process of the Review Committee or, as the case may be, the Management Committee in relation to that transaction;

(b) if the members of the Review Committee or, as the case may be, the Management Committee have an interest in the transaction or are nominees for the time being of the Mandated Interested Person, the review and approval process shall be undertaken by the Chairman of the Audit Committee or another member of the Audit Committee (who is not a nominee of the Mandated Interested Person and has no interest in the transaction) designated by the Chairman of the Audit Committee from time to time for such purpose; and

(c) if a member of the Audit Committee has an interest in a transaction or is a nominee for the time being of the Mandated Interested Person, he shall abstain from participating in the review and approval process of the Audit Committee in relation to that transaction.

3.10.4 ***Register of Mandated Transactions***

The Company will maintain a register of Mandated Transactions carried out with Mandated Interested Persons (recording the basis on which they are entered into), and the Company's annual internal audit plan will incorporate a review of the Mandated Transactions recorded in the register to ascertain that the guidelines and review procedures for Mandated Transactions have been complied with.

3.10.5 ***Audit Committee Review***

The Audit Committee will review the internal audit reports on an annual basis to ascertain that the guidelines and review procedures for Mandated Transactions have been complied with.

If during any of the reviews by the Audit Committee, the Audit Committee is of the view that the guidelines and review procedures for Mandated Transactions have become inappropriate or insufficient in the event of changes to the nature of, or manner in which, the business activities of the Entity at Risk Group or the Mandated Interested Persons are conducted, the Company will revert to Shareholders for a fresh general mandate based on new guidelines and review procedures so that Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

3.11 **Disclosures.** In accordance with the requirements of Chapter 9 of the Listing Manual, the Company will:

3.11.1 disclose in the Company's annual report the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the Shareholders' Mandate during the financial year (as well as in the annual reports for subsequent financial years that the Shareholders' Mandate continues in force); and

3.11.2 announce the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the Shareholders' Mandate for the financial periods that it is required to report on pursuant to Rule 705 of the Listing Manual (which relates to reporting by listed companies) within the time required for the announcement of such report.

4. STATEMENT OF THE AUDIT COMMITTEE

The Audit Committee has reviewed and deliberated on the proposed change of Auditors and recommends the same for approval after taking into consideration the suitability of KPMG LLP and compliance with the requirements under Rule 712 and Rule 715 of the Listing Manual.

5. DIRECTORS' RECOMMENDATIONS

5.1 **The Proposed Change of Auditors.** The Directors are of the opinion that the proposed appointment of KPMG LLP as Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP, is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 7, being the Ordinary Resolution relating to the proposed appointment of KPMG LLP as Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP.

5.2 **The Proposed Renewal of the Shareholders' Mandate for Interested Person Transactions.** The Independent Directors are of the opinion that the entry by the Entity at Risk Group into the Mandated Transactions with the Mandated Interested Persons in the ordinary course of business will enhance the efficiency of the Group, and is in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 10, being the Ordinary Resolution relating to the proposed renewal of the Shareholders' Mandate for Interested Person Transactions.

5.3 **Abstention from Voting.** Yamasa Co., Ltd will abstain from voting, whether in person or by representative or proxy, and will procure that its associates will abstain from voting, their shareholdings, if any, in respect of Resolution 10. The Company will disregard any votes cast by Yamasa Co., Ltd and their associates, if any, in respect of Resolution 10.

6. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix on the proposed change of Auditors and the proposed renewal of the Shareholders' Mandate for Interested Person Transactions constitutes full and true disclosure of all material facts about the proposed change of Auditors and the proposed renewal of the Shareholders' Mandate for Interested Person Transactions, the Company and its subsidiaries which are relevant to the proposed change of Auditors and the proposed renewal of the Shareholders' Mandate for Interested Person Transactions, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix on the proposed change of Auditors and the proposed renewal of the Shareholders' Mandate for Interested Person Transactions misleading. Where information in this Appendix on the proposed change of Auditors and the proposed renewal of the Shareholders' Mandate for Interested Person Transactions has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at 30 Cecil Street #10-06/07, Prudential Tower Singapore 049712 during usual business hours from the date of hereof up to and including the date of the 2023 AGM:

(a) the Constitution of the Company;

(b) the annual report of the Company for the financial year ended 31 December 2021, containing the 2022 Appendix;

(c) the annual report of the Company for the financial year ended 31 December 2022, containing this Appendix;

(d) KPMG LLP's letter to the Company in respect of their consent to act as Auditor of the Company dated 10 March 2023; and

(e) the notice of nomination of the proposed new Auditor dated 1 March 2023 from a shareholder.

UNI-ASIA GROUP LIMITED
(Company Regn. No: 201701284Z)
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING
PROXY FORM

IMPORTANT
1. The Annual General Meeting ("**AGM**") will be held, in a wholly physical format, at Anson III, Level 2, M Hotel Singapore, 81 Anson Road, Singapore 079908 on Friday, April 28, 2023 at 2.00 p.m., pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **There will be no option for shareholders to participate virtually**. The Notice of the Annual General Meeting and proxy form will be sent to shareholders by electronic means via publication on the Company's corporate website at https://uniasia.listedcompany.com/home.html and will also be made available on the SGX website at https://www.sgx.com/securities/company-announcements. Printed copies of these documents will not be sent to shareholders.
2. Arrangements relating to attendance at the Annual General Meeting by shareholders, including CPF and SRS investors, submission of questions to the Chairman of the Annual General Meeting by shareholders, including CPF and SRS investors, in advance of, or at, the Annual General Meeting, addressing of substantial and relevant questions in advance of, or at, the Annual General Meeting, and voting at the Annual General Meeting by shareholders, including CPF and SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the accompanying Company's announcement dated April 6, 2023.
3. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy(ies).
4. This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPFIS/SRS investors who hold SGX shares through CPF Agent Banks/SRS Operators. CPFIS/SRS investors:
   (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or
   (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their CPF Agent Banks/SRS Operators to submit their votes at least 7 working days before the AGM by 2.00 p.m. on April 18, 2023.

PERSONAL DATA PRIVACY
By submitting an instrument appointing a proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated April 6, 2023.

*I/We (Name) ______________________ (NRIC/Passport/UEN) ______________

of ____ (Address)

being a *member/ members of **UNI-ASIA GROUP LIMITED** (the "**Company**"), hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholding(s) (%)

*and/or

or failing him/her, the Chairman of the Annual General Meeting, as *my/our *proxy/proxies, to attend, speak and vote for *me/us on *my/our behalf, at the AGM of the Company to be held at Anson III, Level 2, M Hotel Singapore, 81 Anson Road, Singapore 079908 on Friday, April 28, 2023 at 2.00 p.m. and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against or to abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder.

THIS PROXY FORM IS VALID ONLY WHEN SIGNED AND DATED

No.	Ordinary Resolutions	For	Against	Abstain
ORDINARY BUSINESS				
1.	To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended December 31, 2022 together with the Auditors' Report thereon.			
2.	To declare a final one-tier tax-exempt dividend of S$0.03 per ordinary share and a special one-tier tax exempt dividend of S$0.05 per ordinary share for the financial year ended December 31, 2022.			
3.	To re-elect Mr. Yukihiro Toda as a Director (Retiring under Article 94).			
4.	To re-elect Mr. Lee Gee Aik as a Director (Retiring under Article 94).			
5.	To approve Directors' fees of S$207,500 for the financial year ending December 31, 2023, payable quarterly in arrears (2022: S$207,500).			
6.	To approve the payment of additional Directors' fees of S$30,000 to independent non-executive directors for the financial year ended December 31, 2022 (2021: S$Nil).			
7.	To appoint Messrs KPMG LLP as auditors of the Company in place of retiring auditors of the Company, Messrs Ernst & Young LLP and to authorise the Directors to fix their remuneration.			
SPECIAL BUSINESS				
8.	To authorise the Directors to allot and issue shares and to make or grant convertible instruments.			
9.	To authorise the Directors to grant share awards and to allot and issue shares under the Uni-Asia Group Performance Share Plan.			
10.	To approve the proposed renewal of the Shareholders' Mandate for Interested Person Transactions.			

Voting will be conducted by poll. If you wish your proxy/proxies to vote all your shares "For" or "Against" the relevant resolution, please indicate with an "X" or a "✓" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with an "X" or a "✓" in the "Abstain" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares in the "Abstain" box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on any of the below resolutions if no voting instruction is specified, and on any other matter arising at the AGM and at any adjournment thereof.

Dated this ____________ day of ________________ 2023

Total No. of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature of Member(s) or Common Seal of Corporate Member

* Delete as appropriate

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

Notes:

1. Each of the resolutions to be put to the vote of members at the AGM (and at any adjournment thereof) will be voted on by way of a poll.
2. If the member has shares entered against his name in the Depository Register (maintained by The Central Depositary (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
3. The Notice of the Annual General Meeting and proxy form will be sent to shareholders by electronic means via publication on the Company's corporate website at https://uniasia.listedcompany.com/home.html and will also be made available on the SGX website at https://www.sgx.com/securities/company-announcements. Printed copies of these documents will not be sent to shareholders.
4. A member of the Company who is not a relevant intermediary is entitled appoint not more than two proxies to attend, speak and vote at the Annual General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
5. Any member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

   A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.
6. A proxy need not be a member of the Company.

Fold along this line

Affix
Postage
Stamp
Here

UNI-ASIA GROUP LIMITED
c/o Tricor Barbinder Share Registration Services
80 Robinson Road, #11-02 Singapore 068898

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7. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
   (i) if submitted by post, be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02 Singapore 068898; or
   (ii) if submitted electronically, be submitted via email to the Company's Share Registrar, Tricor Barbinder Share Registration Services at sg.is.proxy@sg.tricorglobal.com

   in either case, by no later than **Tuesday 25 April 2023, 2.00 p.m.**, being at least 72 hours before the time for holding the AGM. A member who wishes to submit an instrument of proxy must complete and sign the proxy form, before scanning and sending it by email to the email address provided above, or submitting it by post to the address provided above.

   Shareholders are strongly encouraged to submit completed proxy forms electronically via email.
8. The instrument appointing a proxy(ies) must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal or under the hand of its authorised officer(s) or its attorney duly authorized.
9. Where an instrument appointing a proxy(ies) is submitted by email, it must be authorised in the following manner:
   a. by way of the affixation of an electronic signature by the appointor or his/her duly authorised attorney or, as the case may be an officer or duly authorised attorney of a corporation; or
   b. by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.
10. A corporation which is a member may authorise by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967.
11. Members should take note that once this proxy form is submitted electronically via email to sg.is.proxy@sg.tricorglobal.com or posted/deposited to office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, they cannot change their vote as indicated in the box provided above.
12. The Company shall be entitled to reject an instrument appointing a proxy(ies) if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged or submitted if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

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

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No. 663 King's Road, North Point
Hong Kong
Tel: (852) 2528 5016

30 Cecil Street #10-06/07, Prudential Tower,
Singapore 049712
Tel: (65) 6438 1800

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Uni-Asia Capital (Japan) Ltd.: www.uni-asia.co.jp