



UNI-ASIA GROUP LIMITED

Company Registration No: 201701284Z
Incorporated in the Republic of Singapore

PRESS RELEASE -- FOR IMMEDIATE RELEASE

Uni-Asia Group Limited Reports US\$11.7 million Net Loss for 1H2024

- Net profit excluding non-cash fair valuation loss of Hong Kong property projects, was US\$1.1 million
- Declares interim dividends of 1.0 Singapore cent per share

SINGAPORE, 14 August 2024 – Uni-Asia Group Ltd. (SGX: CHJ) (“Uni-Asia Group” or the “Company”, and together with its subsidiaries, the “Group”), an investment management group specialising in alternative assets, including shipping and real estate in Japan and Hong Kong, has announced its financial results for the six months ended 30 June 2024 (“**1H2024**”).

Financial Highlights

US\$m (except earnings per share)	1H2024	1H2023	% Change
Total Income	11,164	29,707	(62%)
Total Operating Expenses	(20,955)	(23,223)	(10%)
Operating (Loss)/Profit	(9,791)	6,484	N/M
Net (Loss)/Profit After Tax	(11,723)	4,269	N/M
Net (Loss)/Profit to Owners of the Parent	(11,763)	4,194	N/M
Basic and Diluted (Loss)/Earnings Per Share (US cents)	(14.97)	5.34	N/M

In 2010, the Group partnered with a private developer in Hong Kong to develop the Group’s first Hong Kong property project, with the partner taking a majority stake in the development consortium while the Group and other investors took up minority stakes. Following the success of the first project, the Group continued partnering with this developer using similar modus operandi and to-date invested in a total of 8 projects. For the first three projects, the Group invested a total of US\$17.5 million and received total proceeds of US\$42.7 million, netting a cash profit of approximately US\$25.2 million.



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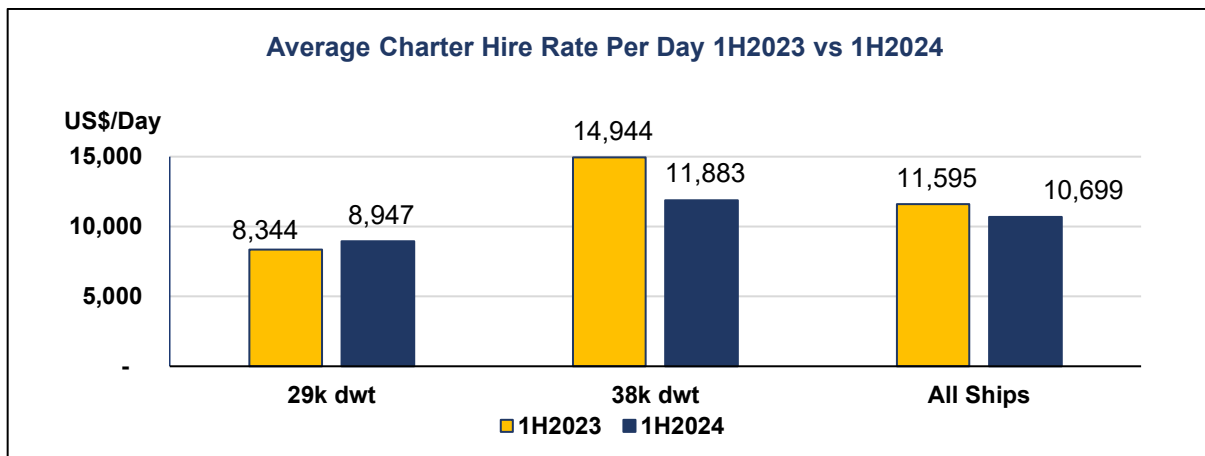
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However, Hong Kong faced several challenges since 2019, including the COVID-19 pandemic, causing Hong Kong’s commercial property market to deteriorate significantly. Notwithstanding Hong Kong Government’s recent new initiatives to attract international capital and talent, sales volume of Hong Kong commercial/industrial properties remained subdued. In light of the prevailing market conditions in the Hong Kong and Mainland China property market, completed construction projects in the region are facing declines in sales volume. In particular, a few large Mainland China developers have defaulted on their debt or are experiencing difficulties in meeting their debt and loan obligations. With continuing high interest rates and difficulties in selling the projects, there are indications that the Group may not be able to recover all capital should the consortium which the Group invests in were to sell the projects in the current market to meet the consortium’s debt obligations.

As a result, the Group has booked a fair valuation loss of US\$12.8 million for its Hong Kong property project investments, The Group does not have any contingent liabilities (including guarantees) nor capital commitment relating to the Hong Kong property projects.

Excluding the fair valuation loss, the Group made a profit of US\$1.1 million for 1H2024. The dry bulk market remained healthy in 1H2024. The Group’s newer 38k dwt ships were able to average more than US\$11k per day for 1H2024, but the Group’s older 29k dwt ships averaged less than US\$9k per day for 1H2024.





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Meanwhile, the Group's depreciation and vessel operating expenses decreased by 15% and 25% respectively with fewer ships following the disposal of two older 29k dwt ships in 2H2023 and 1H2024.

Meanwhile, the Group's Japan property business contributed US\$0.7 million profit for 1H2024 compared to US\$1.1 million for 1H2023 due to the absence of significant property brokerage fee and investment returns. Furthermore, the weakening of JPY rate in relation to USD (average rate of 1H2023 was JPY134.7/USD vs 1H2024 rate of JPY150.7/USD) further depressed the contribution of Japan's profit in USD terms.

The Group's balance sheet remains healthy. Debt-equity ratio is 38%. Cash balance was US\$36.3 million as at 30 June 2024, with operating cash flows of US\$6.2 million for 1H2024.

As the Group is profitable excluding the fair valuation loss of Hong Kong property projects, the Group is declaring an interim dividend of 1.0 Singapore cent per ordinary share.

Business Outlook

Dry Bulk

For 1H2024, average trading distances for ships had increased due to diversions from both the Panama Canal and Suez Canal. While diversions away from the Panama Canal were easing in 2Q2024, the continued conflict in the Middle East increased the diversions away from Suez Canal in response to Houthis attacks across the Red Sea.

Meanwhile, demand for dry bulk carriers had increased in 1H2024, outstripping fleet expansion. To meet immediate demand rather than placing orders for new ships which will take a few years to deliver, dry bulk second-hand sales activity had increased.



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Japan Property

The Tokyo property market has been robust, driven by a combination of factors including a weak Japanese Yen and low interest rates. According to research by Daiwa Securities Living Investment Corporation, occupancy rate of residential properties in Tokyo 23-Wards as of May 2024 was at 97.43%, a sustained high rate since 2014. The Japan Real Estate Institute (“JREI”) published its April 2024 JREI Home Price Index on 25 June 2024, which showed that the index for the Tokyo Metropolitan Area increased for four consecutive months to 121.23 for April 2024, an increase of 4.6% as compared with the previous year. JREI’s same index for Tokyo was at 137.49 for April 2024, an increase of 6.2%.

While the Group encouraged by the nine new ALERO projects in 1H2024, it continues to be difficult to identify new reasonably priced land for the Group’s ALERO projects. However, the Group has expanded its asset management expertise in Japan to include private finance initiative (“PFI”) projects, solar power plants, group homes, and other assets with a sustainability angle. The Group would also look for new property investment opportunities outside of Tokyo in order to diversify its Japan property portfolio.

Hong Kong Property

The Hong Kong commercial office/industrial property market continues to be subdued with various negative factors continue to weigh on investor sentiment and transaction volumes, and thus price. Distressed or discounted assets deals have started gaining favour. The Group remains poised to explore possible opportunities in this area.

--- The End ---



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

UNI-ASIA GROUP LIMITED and its subsidiaries (the “Group”) is an alternative investment group specialising in creating alternative investment opportunities and providing integrated services relating to such investments. The Group’s alternative investment targets are mainly handy dry bulk ships and properties. The Group also has extensive know-how and networks relating to such alternative investments and provides services relating to these investments. The two main alternative asset classes the Group focuses on are Shipping and Property.

The business strategy for shipping employed by the Group is to offer one-stop, integrated ship-related service solutions for clients, including ship investments, ship asset management services, ship chartering, ship management, ship brokerage and ship finance arrangement solutions. The strategy of offering a wide array of maritime-related services ensures the Group remains resilient regardless of market conditions and allows for growth in the long term. The Group currently owns 8 wholly-owned ships and 7 joint-investment ships.

The Group’s property investment business enhances its asset base as well as asset management business. Outside of Japan, the Group focuses on investments in Hong Kong office development projects and office assets in Guangzhou, China. Within Japan, the Group has a Japan-licensed property asset management subsidiary which specialises in property asset management as well as development of trademark small residential properties, the “ALERO” series.

Listed on the Mainboard of Singapore Exchange in August 2007, Uni-Asia’s main offices are located in Hong Kong, Singapore, and Tokyo.

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

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