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

PRESS RELEASE -- FOR IMMEDIATE RELEASE

Uni-Asia Group Reports US$28.2 million Net Loss for FY2024

- **Net profit would have been US$2.8 million, excluding US$31.0 million non-cash fair valuation loss in Hong Kong property projects**
- **Shipping and Japan property businesses remain stable and profitable**
- **Cash flow and balance sheet remain healthy**
- **Proposes final dividend of 2 Singapore cents per share for FY2024, in addition to interim dividend of 1 Singapore cent per share declared in 1H2024**

SINGAPORE, 28 February 2025 – 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 and 12 months ended 31 December 2024 (“**2H2024**” and “**FY2024**” respectively).

Financial Highlights

US$‘000 (except earnings per share)	2H2024	2H2023	% Change	FY2024	FY2023	% Change
Total Income	12,795	28,327	(55%)	23,959	58,034	(59%)
Total Operating Expenses	(27,020)	(24,300)	11%	(47,975)	(47,523)	1%
Operating (Loss)/Profit	(14,225)	4,027	N/M	(24,016)	(10,511)	N/M
Net (Loss)/Profit After Tax	(16,523)	794	N/M	(28,246)	5,063	N/M
Net (Loss)/Profit to Owners of the Parent	(16,538)	813	N/M	(28,301)	5,007	N/M
Basic & Diluted EPS (in US cents per share)	(21.04)	1.03	N/M	(36.01)	6.37	N/M

Fair Valuation Loss in Hong Kong Property Segment

In 2010, the Group collaborated with a private developer in Hong Kong for its first Hong Kong property project, taking a minority stake. After the initial success, the Group continued the partnership on seven more projects under a similar modus operandi. For the first three projects, the Group invested US$17.5 million and earned US$42.7 million, resulting in a cash profit of about US$25.2 million.

Since 2019, Hong Kong has faced numerous challenges, particularly the COVID-19 pandemic, which affected its commercial property market. Despite the Hong Kong Government's recent efforts to attract international capital and talent, sales of commercial and industrial properties have failed to recover. Current market conditions in Hong Kong and Mainland China have led to a decline in sales of completed construction projects. Several Mainland China developers have defaulted or faced difficulty in meeting debt obligations. Due to high interest rates and sales challenges, the Group may not recoup all its capital if it sells its projects under current market conditions. Consequently, the Group booked a fair valuation loss of US$31.0 million for its Hong Kong property investments. The Group has no contingent liabilities (including guarantees), or capital commitment related to these projects.

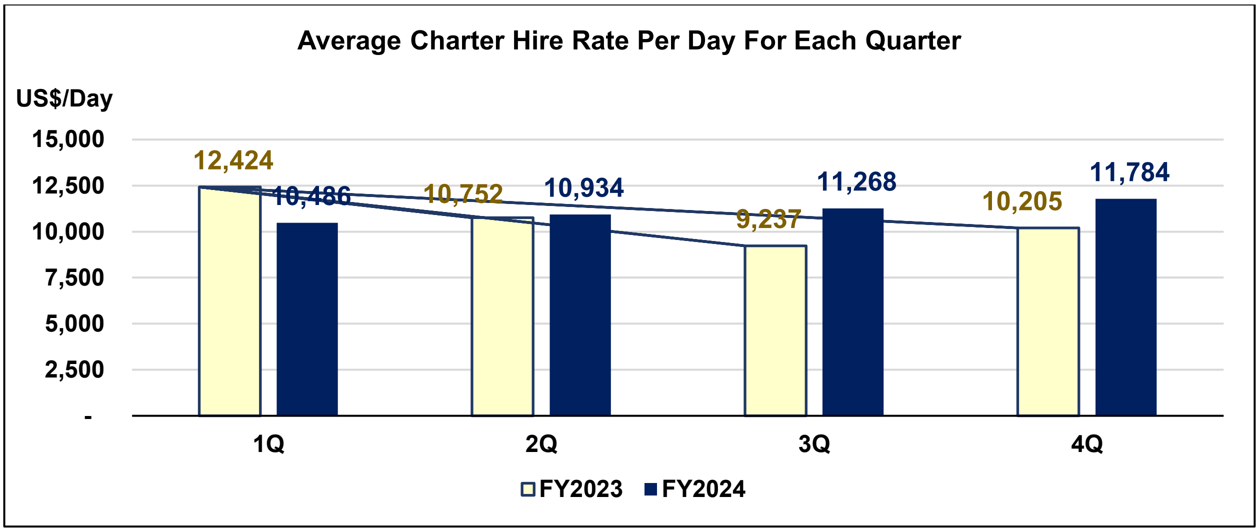
Profitable Excluding Fair Valuation Loss

The Group's total income fell 59% to US$24.0 million in FY2024 versus US$58.0 million in FY2023. This was largely driven by the non-cash fair valuation loss of US$31.0 million from the Hong Kong property segment. Consequently, the Group reported a net loss of US$28.2 million. Excluding this fair valuation loss, it would have reported a net profit of US$2.8 million, as its Japan property and shipping segments remained profitable.

Ship Chartering

In FY2024, the Group completed the sale of two 29k dwt dry bulk carriers – m/v Uni Wealth in March 2024 and m/v Victoria Harbour in December 2024. Accordingly, total charter income decreased by 14% from US$37.8 million in FY2023 to US$32.5 million in FY2024.

Although the total charter income had decreased from FY2023 to FY2024, the average daily charter in FY2024 had increased quarterly in FY2024 and had outperformed that of FY2023 since 2Q. This can be attributed partly to the Group's strategy in reducing the number of 29k dwt ships which generated less revenue, and partly to the good charter market in FY2024



Overall, the Baltic Handysize Index ("BHSI") in 2024 experienced less volatility compared to 2023 and maintained a higher average, partially due to consistent demand coupled with supply disruptions caused by rerouting at the Panama and Suez Canals. However, the market started to soften towards the end of 2024, leading to a weak beginning in 2025. With the start of Trump administration's tariff policy in early 2025, it is still uncertain whether this will boost the supply of dry bulk tonne-miles as market participants look for alternative suppliers or customers, or if it will result in reduced demand.

Japan Property Investment

The Group reported an overall improvement of 12% in revenue in Japan, amounting to US$18.0 million in FY2024, compared to US$16.1 million in FY2023. However, net profit after tax declined by 24% to US$0.9 million in FY2024 from US$1.2 million in FY2023, primarily due to increased costs, further exacerbated by the depreciation of the Japanese yen against the US dollar.

Healthy Cash Flow and Balance Sheet

As the Group's fair valuation loss is non-cash in nature, it reported an increase in cash and bank balances by US$7.2 million to US$45.5 million at the end of FY2024, compared to US$38.3 million a year earlier. The Group's debt-equity ratio remains healthy at 36%.

Proposes Final Dividend of 2 Singapore Cents Per Share

Excluding the fair valuation loss, the Group remains profitable, with healthy cash flows. As a result, the Group has proposed a final dividend of 2 Singapore cents per share, subject to approval at the forthcoming annual general meeting. This comes on top of the interim dividend of 1 Singapore cent per share that was distributed in September 2024, culminating in a total dividend of 3 Singapore cents per share for FY2024.

Business Outlook

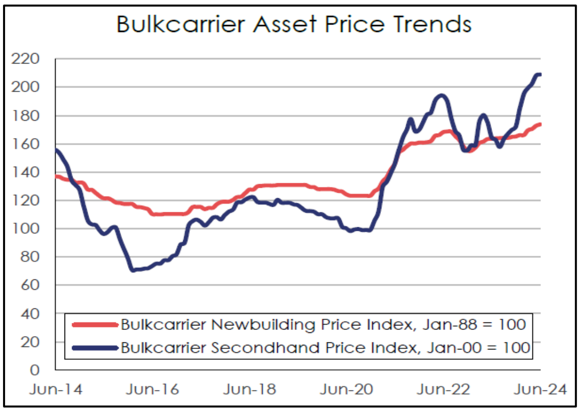
Dry Bulk

The global economy in 2025 will be significantly influenced by President Trump's tariff policies, which have the potential to spark extensive trade conflicts between various nations and the United States. Canada and Mexico, the first nations targeted by these tariffs, were among the primary suppliers of dry bulk commodities to the US in 2024. These tariffs could prompt US importers to look for alternative suppliers further from US shores, thereby increasing tonne-mile demand. Additionally, countries responding with reciprocal tariffs on US commodities may also need to find new sources for their imports. Consequently, the range of tariffs could impact the global trade network and subsequently affect the global shipping tonne-mile economics.

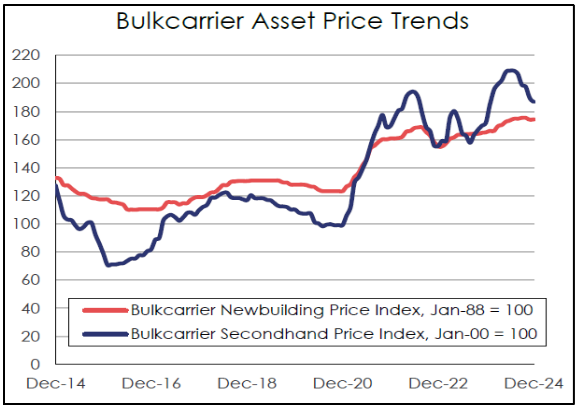
Furthermore, the US stance on the Panama Canal, the Houthis' cessation of vessel attacks in the Red Sea (with continued caution from ship owners about using the Suez Canal), and environmental regulations limiting vessel speed are factors that could also influence tonne-mile economics.

These uncertainties may lead to volatility in the dry bulk charter market for 2025.

Meanwhile, although newbuild prices remain high due to tighter shipyard slot availability, the prices for second-hand dry bulk ships have declined since mid-2024, as evidenced by the accompanying charts.



Source: Clarksons Research DBTO July 2024



Source: Clarksons Research DBTO Jan 2025

The Group has successfully sold most of its older 29,000 dwt vessels before the market downturn and currently retains only one such ship in its portfolio. The Group plans to seek opportunities to sell this remaining vessel while aiming to maximise its overall time charter income amidst the abovementioned uncertainties. Additionally, the Group will explore opportunities to acquire second-hand vessels from the open market or from its 18%-owned joint investment vehicles, provided these investments align with the Group's risk-return profile.

<u>Japan Property</u>

The Tokyo property market has remained strong, buoyed by a mix of factors such as a weak Japanese yen and low interest rates. The Group is pleased with the 10 new ALERO projects initiated in FY2024, though finding new land at reasonable prices for these projects continues to be challenging. To address this, the Group has broadened its asset management capabilities in Japan to encompass private finance initiative ("PFI") projects, solar power plants, group homes, and other assets that focus on sustainability. Additionally, the Group is seeking property investment opportunities beyond Tokyo to diversify its property holdings in Japan.

<u>Hong Kong Property</u>

Hong Kong and Mainland China's property markets are grappling with declining property values and tightening credit conditions. The rising office vacancies and softening rents in Hong Kong are significantly impacting the viability of commercial properties. Consequently, completed construction projects in these markets have been experiencing a decline in sales volumes.

Reports of Hong Kong developers selling projects at low prices or incurring losses have surfaced. In response, the Group has written off all its investment in Hong Kong property projects.

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About Uni-Asia Group Limited (SGX: CHJ)

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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