



UNI-ASIA HOLDINGS LIMITED

Registration No: CR - 72229

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

FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2013

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FIRST QUARTER RESULTS

- 1 (a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	3 months ended 31 March		
		2013 US\$'000	2012 US\$'000	% Change
Fee income	[1]	7,074	4,350	63%
Hotel income		11,587	14,360	(19%)
Investment returns	[2]	1,183	(720)	264%
Interest income		276	217	27%
Other income		131	389	(66%)
Total income		20,251	18,596	9%
Employee benefits expenses		(3,970)	(4,715)	(16%)
Amortisation and depreciation		(975)	(971)	0%
Vessel operating expenses		(1,381)	(1,007)	37%
Hotel lease expenses		(3,741)	(4,389)	(15%)
Hotel operating expenses		(5,124)	(6,480)	(21%)
Other expenses		(1,091)	(1,089)	0%
Impairment of property, plant and equipment		(500)	-	N/M
Write-back of provision of onerous contracts		78	177	(56%)
Net foreign exchange (loss)/ gain		(87)	994	(109%)
		(16,791)	(17,480)	(4%)
Operating profit		3,460	1,116	210%
Finance costs – interest expense		(509)	(469)	9%
Finance costs – others		(89)	(60)	48%
Allocation to Tokumei Kumiai* investors		(84)	(50)	68%
Profit before tax		2,778	537	417%
Income tax expense		(42)	(14)	200%
Profit for the period		2,736	523	423%
Attributable to:				
Owners of the parent		2,684	465	477%
Non-controlling interests		52	58	(10%)
		2,736	523	423%

* 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.

	3 months ended 31 March		
	2013	2012	%
	US\$'000	US\$'000	Change
Profit for the period	2,736	523	423%
Other comprehensive income for the period, net of tax:			
Exchange differences on translation of foreign operations	(451)	(441)	2%
Fair value (loss)/ gain of cash flow hedges	(1,132)	1,218	(193%)
	<u>(1,583)</u>	<u>777</u>	<u>(304%)</u>
Other comprehensive (expense)/ income for the period, net of tax			
Total comprehensive income for the period	<u>1,153</u>	<u>1,300</u>	<u>(11%)</u>
Attributable to:			
Owners of the parent	1,103	1,243	(11%)
Non-controlling interests	50	57	(12%)
	<u>1,153</u>	<u>1,300</u>	<u>(11%)</u>

N/M: Not meaningful

NOTES:

[1] Breakdown of fee income

	3 months ended 31 March		
	2013 US\$'000	2012 US\$'000	% Change
Arrangement and agency fee	2,602	25	N/M
Brokerage commission	121	217	(44%)
Incentive fee	-	33	N/M
Asset management & administration fee *	889	1,013	(12%)
Charter income	3,462	3,062	13%
	<u>7,074</u>	<u>4,350</u>	63%

* Includes income earned by Uni-Asia Capital (Japan) Ltd. ("UACJ") as the asset manager of hotels and residential projects of \$0.6 million (1Q2012: \$0.7 million).

[2] Breakdown of investment returns

	3 months ended 31 March		
	2013 US\$'000	2012 US\$'000	% Change
Interest on performance notes			
- distressed debt	-	33	N/M
Realised gain on investments			
- shipping	44	45	(2%)
- hotel and residential	109	53	106%
Property rental income	87	81	7%
Fair value adjustment on investment properties	-	(29)	N/M
Fair value adjustment on investments			
- shipping	(690)	(1,027)	33%
- hotel and residential	61	(325)	119%
- office property/ small residential property developments ^(Note A)	(149)	2	N/M
Fair value adjustment on performance notes			
- shipping	65	180	(64%)
- distressed debt	(2)	(37)	95%
Fair value adjustment on listed shares – others	(93)	256	(136%)
Net gain on derivative financial instruments	1,751	48	N/M
	<u>1,183</u>	<u>(720)</u>	264%

Note A: The investments in office property and small residential property developments are made through an investee company and the fair value adjustment comprises of the following:

	3 months ended 31 March		
	2013 US\$'000	2012 US\$'000	% Change
Fair value adjustment on property investment and development project in Hong Kong property	(8)	3	(367%)
Fair value adjustment on investments in small residential property developments	(221)	-	N/M
Fair value adjustment on other net assets of the investee company	80	(1)	N/M
	<u>(149)</u>	<u>2</u>	N/M

1 (b) (i) A statement of financial position for the group and the issuer, together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31 March 2013 US\$'000	31 December 2012 US\$'000	31 March 2013 US\$'000	31 December 2012 US\$'000
ASSETS				
Non-current assets				
Investment properties	6,675	6,658	-	-
Intangible assets	15	20	-	-
Property, plant and equipment	98,314	101,897	30	35
Loans receivable	7,638	7,973	4,638	4,973
Loans to subsidiaries	-	-	5,746	6,145
Investments	40,232	40,938	25,671	26,350
Investments in subsidiaries	-	-	37,862	37,862
Rental deposit	1,278	1,398	-	-
Derivative financial instruments	-	-	39	-
Deferred tax assets	39	42	-	-
Deposit for purchase of vessels	9,394	6,277	-	-
Total non-current assets	163,585	165,203	73,986	75,365
Current assets				
Investments	4,963	5,285	-	-
Loans receivable	7,224	6,500	5,500	5,500
Loans to subsidiaries	-	-	19,028	16,885
Derivative financial instruments	26	1,050	26	-
Accounts receivable	8,794	7,289	3,315	2,295
Amount due from subsidiaries	-	-	3,196	2,118
Prepayments, deposits and other receivables	2,405	2,376	431	377
Tax recoverable	-	-	-	-
Deposits pledged as collateral	14,960	16,068	13,875	15,087
Cash and bank balances	41,397	43,266	28,605	28,685
Total current assets	79,769	81,834	73,976	70,947
Total assets	243,354	247,037	147,962	146,312

	Group		Company	
	31 March 2013 US\$'000	31 December 2012 US\$'000	31 March 2013 US\$'000	31 December 2012 US\$'000
EQUITY				
Equity attributable to owners of the parent				
Share capital	75,167	75,167	75,167	75,167
Share premium	31,319	31,319	31,319	31,319
Retained earnings	29,649	26,965	16,827	16,133
Fair value reserve	-	9	-	-
Hedging reserve	(82)	1,050	(44)	-
Exchange reserve	3,487	3,936	-	-
Capital reserve	(117)	(126)	-	-
Total equity attributable to owners of the parent	139,423	138,320	123,269	122,619
Non-controlling interests	230	234	-	-
Total equity	139,653	138,554	123,269	122,619
LIABILITIES				
Non-current liabilities				
Borrowings	65,076	68,023	-	-
Finance lease obligations	13	17	-	-
Due to Tokumei Kumiai investors	1,794	1,874	-	-
Derivative financial instruments	172	115	82	-
Other payables	107	116	-	-
Total non-current liabilities	67,162	70,145	82	-
Current liabilities				
Borrowings	28,860	29,141	20,512	22,336
Finance lease obligations	8	9	-	-
Accounts payable	3,418	4,016	8	-
Other payables and accruals	4,059	4,567	729	1,357
Amount due to subsidiaries	-	-	3,337	-
Derivative financial instruments	142	442	25	-
Income tax payable	52	163	-	-
Total current liabilities	36,539	38,338	24,611	23,693
Total equity and liabilities	243,354	247,037	147,962	146,312

NOTES:-

Japanese yen depreciated significantly over the first quarter of 2013. Accordingly, the Group's assets and liabilities in Japan reflect a smaller value when converted from JPY to USD.

Total assets (current and non-current) decreased by \$3.6 million from \$247.0 million on 31 December 2012 to \$243.4 million on 31 March 2013. Notable changes in total assets include the following:

1. a decrease of \$3.6 million in property, plant and equipment (net of depreciation) resulting mainly from (i) depreciation, (ii) impairment loss of \$0.5 million recognised for 1 vessel, and (iii) translation differences from translating property, plant and equipment of Japan subsidiaries into USD reporting currency at weaker JPY/USD exchange rate;
2. an increase of \$3.1 million in the deposit for purchase of vessels due to scheduled payment for vessel under construction;
3. an increase of \$1.5 million in accounts receivables due mainly to structured finance arrangement fees to be received in April 2013; and
4. a net decrease of \$1.9 million in cash and bank balances.

Total liabilities (current and non-current) decreased by \$4.8 million from \$108.5 million on 31 December 2012 to \$103.7 million on 31 March 2013 due mainly to translation of JPY liabilities of subsidiaries in Japan to USD reporting currency at a weaker JPY/USD exchange rate.

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

	As at 31 March 2013		As at 31 December 2012	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	18,691	10,169	19,772	9,369
Amount repayable after one year	63,940	1,136	66,688	1,335
Total	<u>82,631</u>	<u>11,305</u>	<u>86,460</u>	<u>10,704</u>

Details of any collateral

The Group's borrowings are secured by means of:

- legal mortgages over certain cash deposits of the holding company
- legal mortgages over certain cash deposits of the subsidiaries
- legal mortgages over vessels of the subsidiaries
- legal mortgages over freehold properties under the category of "Property, plant and equipment" of subsidiaries

1 (c) A statement of cash flows for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	3 months ended 31 March	
		2013 US\$'000	2012 US\$'000
Cash flow from operating activities			
Profit before tax		2,778	537
Adjustments for:			
Investment returns		(1,183)	720
Amortisation and depreciation		975	971
Impairment of property, plant and equipment		500	-
Write-back of provision of onerous contracts		(78)	(177)
Net foreign exchange loss/ (gain)		87	(994)
Interest income		(276)	(217)
Finance costs – interest expense		509	469
Finance costs – others		89	60
Allocation to Tokumei Kumiai investors		84	50
		<u>3,485</u>	<u>1,419</u>
Changes in working capital:			
Net change in accounts receivable		(1,909)	(12)
Net change in prepayments, deposits and other receivables		(147)	(354)
Net change in retirement benefit allowance		-	-
Net change in accounts payable		(267)	(856)
Net change in other payables and accruals		(239)	(3,165)
		<u>923</u>	<u>(2,968)</u>
Cash generated from/ (used in) operations		923	(2,968)
Interest received on bank balances		36	45
Tax reimbursed/ (paid)		(147)	308
		<u>812</u>	<u>(2,615)</u>
Net cash generated from/ (used in) operating activities	[1]	812	(2,615)

		3 months ended 31 March	
		2013	2012
Note		US\$'000	US\$'000
Cash flow from investing activities			
	Purchase of investments	(665)	(370)
	Proceeds from sale of investments	5	2
	Net deposits paid for purchase of vessels	(3,152)	(160)
	Purchase of property, plant and equipment	(92)	(4)
	Loan advanced	(1,014)	(928)
	Loan repaid	364	125
	Interest received from loans	203	164
	Net decrease in deposits pledged as collateral	1,015	651
	Proceeds from investments	150	130
	Settlement of derivative financial instruments	1,723	-
	Proceeds from property rental	108	81
	Net cash used in investing activities	[2] (1,355)	(309)
Cash flow from financing activities			
	New borrowings	1,621	414
	Repayment of borrowings	(1,729)	(1,393)
	Interest paid on borrowings	(498)	(455)
	Other finance cost paid	(14)	(15)
	Payment of lease obligation	(2)	(2)
	Net cash used in financing activities	[3] (622)	(1,451)
	Net decrease in cash and cash equivalents	(1,165)	(4,375)
	Movements in cash and cash equivalents:		
	Cash and cash equivalents at beginning of the period	43,266	51,164
	Net decrease in cash and cash equivalents	(1,165)	(4,375)
	Effects of foreign exchange rate changes, net	(704)	(490)
	Cash and cash equivalents at end of the period	41,397	46,299

NOTES:

- [1] Cash flows generated from operating activities amounted to \$0.8 million for 1Q2013 compared to net cash outflow from operating activities of \$2.6 million in 1Q2012. Charter income and structured finance fees received contributed to positive operating cash flows.
- [2] Cash flows used in investing activities were \$1.4 million for 1Q2013 compared to \$0.3 million for 1Q2012 due mainly to scheduled payment for vessel under construction.
- [3] Cash flows used in financing activities were \$0.6 million in 1Q2013 compared to \$1.5 million in 1Q2012 due mainly to new borrowings in 1Q2013 to finance the aforementioned scheduled payment for vessel under construction.

1 (d) (i) A statement for the group and the issuer showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital US\$'000	Share premium US\$'000	Retained earnings US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Exchange reserve US\$'000	Capital reserve US\$'000	Total equity attributable to owners of the parent US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
Group										
At 1 January 2012	75,167	31,319	23,534	9	(1,123)	4,489	(126)	133,269	124	133,393
Profit for the period	-	-	465	-	-	-	-	465	58	523
Other comprehensive income/ (expense)	-	-	-	-	1,218	(440)	-	778	(1)	777
Total comprehensive income/ (expense)	-	-	465	-	1,218	(440)	-	1,243	57	1,300
At 31 March 2012	75,167	31,319	23,999	9	95	4,049	(126)	134,512	181	134,693
At 1 January 2013	75,167	31,319	26,965	9	1,050	3,936	(126)	138,320	234	138,554
Profit for the period	-	-	2,684	-	-	-	-	2,684	52	2,736
Other comprehensive expense	-	-	-	-	(1,132)	(449)	-	(1,581)	(2)	(1,583)
Total comprehensive income/ (expense)	-	-	2,684	-	(1,132)	(449)	-	1,103	50	1,153
Capital reserve	-	-	-	(9)	-	-	9	-	-	-
Payment to non-controlling interest	-	-	-	-	-	-	-	-	(54)	(54)
At 31 March 2013	75,167	31,319	29,649	-	(82)	3,487	(117)	139,423	230	139,653
Company										
At 1 January 2012	75,167	31,319	22,527	-	-	-	-	129,013	-	129,013
Loss for the period	-	-	(2,021)	-	-	-	-	(2,021)	-	(2,021)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive expense	-	-	(2,021)	-	-	-	-	(2,021)	-	(2,021)
At 31 March 2012	75,167	31,319	20,506	-	-	-	-	126,992	-	126,992
At 1 January 2013	75,167	31,319	16,133	-	-	-	-	122,619	-	122,619
Profit for the period	-	-	694	-	-	-	-	694	-	694
Other comprehensive expense	-	-	-	-	(44)	-	-	(44)	-	(44)
Total comprehensive income/ (expense)	-	-	694	-	(44)	-	-	650	-	650
At 31 March 2013	75,167	31,319	16,827	-	(44)	-	-	123,269	-	123,269

- 1 (d) (ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the period ended 31 March 2013, there was no change in share capital.

The Company did not have any convertibles or treasury shares as at 31 March 2013, 31 December 2012 and 31 March 2012.

- 1 (d) (iii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 31 March 2013	As at 31 December 2012
Total number of issued shares	<u>469,792,800</u>	<u>469,792,800</u>

- 1 (d) (iv) **A statement showing all sales, transfers, disposal, cancellation and/ or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 2 **Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

- 3 **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4 **Whether the same accounting policies and method of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has adopted the same accounting policies and method of computation in the financial statements for the current financial period as compared with the audited financial statements for the financial year ended 31 December 2012.

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

The Group has adopted the same accounting policies and method of computation in the financial statements for the current financial period as compared with the audited financial statements for the financial year ended 31 December 2012. The adoptions of the other new or revised IFRSs do not have a significant impact on the Group's results of operations and financial position.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	3 months ended 31 March	
	2013	2012
Profit attributable to owners of the parent (US\$'000)	2,684	465
Weighted average number of ordinary shares in issue ('000)	469,793	469,793
Earnings per share (US cents per share) - basic and diluted	0.57	0.10

Basic earnings/ (loss) per share is calculated by dividing the profit/ (loss) attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period.

Diluted earnings/ (loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume the conversion of all dilutive ordinary shares during the period.

7 Net asset value for the group per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

	31 March 2013	31 December 2012
Net asset value per ordinary share based on issued share capital at the end of (in US\$)	0.30	0.29

8 A review of the group performance, to the extent necessary for a reasonable understanding of the group's business. It must include discussion of any significant factors that affected the turnover, costs, and earnings for the current financial period report on, including (where applicable) seasonal or cyclical factors; and any material factors that affected the cash flow, working capital, assets or liabilities of the group during current financial period reported on:

Review of Income Statement

The Group recorded a net profit of \$2.7 million for 1Q2013, an increase of \$2.2 million from 1Q2012.

Total income for 1Q2013 was \$20.3 million compared to \$18.6 million for 1Q2012. Charter income and structured finance fee income increased the fee income of 1Q2013 to \$7.1 million compared to \$4.4 million in 1Q2012. Hotel income was \$11.6 million for 1Q2013 compared to \$14.4 million for 1Q2012 due to (i) 11 hotels under the Group's operations for 1Q2013 compared to 14 hotels for 1Q2012, and (ii) depreciated JPY/USD exchange rate which caused the translated hotel income from Japan to be lower in 1Q2013 compared to 1Q2012.

Total expenses for 1Q2013 was \$16.8 million compared to \$17.5 million for 1Q2012 mainly due to depreciated JPY/USD exchange rate which reduced the translated expenses of Japan subsidiaries.

Operating profit was \$3.5 million for 1Q2013 compared to \$1.1 million for 1Q2012.

- 9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, and variance between it and the actual results.**

Not applicable. The Group has not provided a forecast.

- 10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operated and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The name of the Company was changed from Uni-Asia Finance Corporation to Uni-Asia Holdings Limited following the approval from shareholders at the Company's Extraordinary General Meeting on 25 April 2013.

On 25 April 2013, the Group signed contracts to purchase three 37,000 dwt handysize bulk carriers to be delivered between 2014 and 2016. This is in accordance with the Group's plan to expand the Group's shipping fleet in current shipping market. These acquisitions increase the Group's majority-owned/wholly-owned vessels to eight.

The Group continues to look for suitable opportunities for shipping and properties business.

- 11 Dividend**

- (a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No.

- (b) Corresponding period of the Immediately Preceding Financial Year**

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

No.

- (c) Date payable**

Not applicable.

- (d) Books closure date**

Not applicable.

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

No dividend has been declared/ recommended by the Directors for the first quarter ended 31 March 2013.

- 13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate for IPTs from the Group's shareholders.

BY THE ORDER OF THE BOARD

Kazuhiko Yoshida
Chairman, CEO
10 May 2013

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

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the first quarter ended 31 March 2013 to be false or misleading in any material aspect.

On behalf of the Board of Directors



Kazuhiko Yoshida
Chairman, CEO



Michio Tanamoto
COO

Date: 10 May 2013