



## UNI-ASIA HOLDINGS LIMITED

Registration No: CR - 72229

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

### FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2014

#### PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF SECOND QUARTERLY RESULTS

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

	Note	2 <sup>nd</sup> Quarter			Half year ended 30 June		
		2014 US\$'000	2013 US\$'000	% Change	2014 US\$'000	2013 US\$'000	% Change
Fee income	[8(i)]	6,717	5,493	22%	12,561	12,567	(0%)
Hotel income		8,440	9,833	(14%)	16,838	21,420	(21%)
Investment returns	[8(iii)]	1,240	183	578%	2,939	1,366	115%
Interest income		211	259	(19%)	443	535	(17%)
Other income		106	534	(80%)	282	665	(58%)
<b>Total income</b>		<b>16,714</b>	<b>16,302</b>	<b>3%</b>	<b>33,063</b>	<b>36,553</b>	<b>(10%)</b>
Employee benefits expenses		(3,482)	(3,764)	(7%)	(6,958)	(7,734)	(10%)
Amortisation and depreciation		(1,426)	(1,438)	(1%)	(2,798)	(2,413)	16%
Vessel operating expenses		(1,954)	(1,885)	4%	(3,866)	(3,266)	18%
Hotel lease expenses		(2,658)	(2,842)	(6%)	(5,635)	(6,583)	(14%)
Hotel operating expenses		(3,646)	(4,237)	(14%)	(7,311)	(9,361)	(22%)
Other expenses		(1,182)	(1,204)	(2%)	(2,323)	(2,295)	1%
Impairment of property, plant and equipment		-	-	N/M	-	(500)	(100%)
Write-back of provision of onerous contracts		-	106	(100%)	-	184	(100%)
Net foreign exchange loss		(8)	(33)	76%	(45)	(120)	(63%)
<b>Total operating expenses</b>		<b>(14,356)</b>	<b>(15,297)</b>	<b>(6%)</b>	<b>(28,936)</b>	<b>(32,088)</b>	<b>(10%)</b>
<b>Operating profit</b>		<b>2,358</b>	<b>1,005</b>	<b>135%</b>	<b>4,127</b>	<b>4,465</b>	<b>(8%)</b>
Finance costs – interest expense		(548)	(528)	4%	(1,096)	(1,037)	6%
Finance costs – others		(27)	(53)	(49%)	(88)	(142)	(38%)
Allocation to Tokumei Kumiai* investors		18	(42)	143%	72	(126)	157%
<b>Profit before tax</b>		<b>1,801</b>	<b>382</b>	<b>371%</b>	<b>3,015</b>	<b>3,160</b>	<b>(5%)</b>
Income tax expense		(285)	(44)	548%	(307)	(86)	257%
<b>Profit for the period</b>		<b>1,516</b>	<b>338</b>	<b>349%</b>	<b>2,708</b>	<b>3,074</b>	<b>(12%)</b>
Attributable to:							
Owners of the parent		1,498	288	420%	2,722	2,972	(8%)
Non-controlling interests		18	50	(64%)	(14)	102	(114%)
		<b>1,516</b>	<b>338</b>	<b>349%</b>	<b>2,708</b>	<b>3,074</b>	<b>(12%)</b>

\* Tokumei Kumiai ("TK") refers to a form of silent partnership structure used in Japan. Allocation to TK investors refers to share of profit and loss attributable to other TK investors of the TK structure.

	2 <sup>nd</sup> Quarter			Half year ended 30 June		
	2014 US\$'000	2013 US\$'000	% Change	2014 US\$'000	2013 US\$'000	% Change
Profit for the period	1,516	338	349%	2,708	3,074	(12%)
Other comprehensive (expense)/ income for the period, net of tax:						
Items that may be reclassified subsequently to profit or loss:						
Exchange differences on translation of foreign operations	(36)	(234)	85%	(86)	(685)	87%
Net movement on cash flow hedges	(120)	83	(245%)	(87)	(1,049)	92%
Other comprehensive expense for the period, net of tax	(156)	(151)	(3%)	(173)	(1,734)	90%
Total comprehensive income for the period	1,360	187	627%	2,535	1,340	89%
Attributable to:						
Owners of the parent	1,341	138	872%	2,551	1,241	106%
Non-controlling interests	19	49	(61%)	(16)	99	(116%)
	1,360	187	627%	2,535	1,340	89%

N/M: Not meaningful

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

	Group		Company	
	30 June 2014 US\$'000	31 December 2013 US\$'000	30 June 2014 US\$'000	31 December 2013 US\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Investment properties	9,885	10,109	-	-
Intangible assets	72	74	-	-
Property, plant and equipment	110,342	111,923	29	42
Loans receivable	6,036	8,811	3,036	5,811
Loans to subsidiaries	-	-	5,446	5,310
Investments	46,296	31,199	25,710	25,137
Investments in subsidiaries	-	-	53,836	48,766
Rental deposit	1,666	1,610	-	-
Derivative financial instruments	181	230	38	102
Deferred tax assets	25	27	-	-
Deposits for purchase of vessels	16,342	6,895	-	-
<b>Total non-current assets</b>	<b>190,845</b>	<b>170,878</b>	<b>88,095</b>	<b>85,168</b>
<b>Current assets</b>				
Investments	2,638	2,546	-	-
Loans receivable	3,914	2,100	1,100	1,100
Loans to subsidiaries	-	-	15,234	5,524
Derivative financial instruments	75	27	75	27
Accounts receivable	2,775	3,135	42	94
Amounts due from subsidiaries	-	-	195	373
Prepayments, deposits and other receivables	2,598	2,496	375	381
Tax recoverable	236	21	-	-
Deposits pledged as collateral	6,242	7,378	6,242	7,378
Cash and bank balances	34,267	47,566	14,723	30,215
<b>Total current assets</b>	<b>52,745</b>	<b>65,269</b>	<b>37,986</b>	<b>45,092</b>
<b>Total assets</b>	<b>243,590</b>	<b>236,147</b>	<b>126,081</b>	<b>130,260</b>

	Group		Company	
	30 June 2014 US\$'000	31 December 2013 US\$'000	30 June 2014 US\$'000	31 December 2013 US\$'000
<b>EQUITY</b>				
<b>Equity attributable to owners of the parent</b>				
Share capital	75,167	75,167	75,167	75,167
Share premium	31,319	31,319	31,319	31,319
Retained earnings	30,905	30,521	8,901	11,589
Hedging reserve	(64)	23	(26)	(30)
Exchange reserve	2,707	2,791	-	-
Capital reserve	(117)	(117)	-	-
<b>Total equity attributable to owners of the parent</b>	139,917	139,704	115,361	118,045
Non-controlling interests	1,036	509	-	-
<b>Total equity</b>	140,953	140,213	115,361	118,045
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Borrowings	69,084	62,734	3,946	3,810
Finance lease obligations	1	6	-	-
Due to Tokumei Kumiai investors	691	687	-	-
Derivative financial instruments	35	47	64	132
Other payables	36	30	-	-
<b>Total non-current liabilities</b>	69,847	63,504	4,010	3,942
<b>Current liabilities</b>				
Borrowings	25,626	23,379	5,240	6,262
Finance lease obligations	9	8	-	-
Due to Tokumei Kumiai investors	-	519	-	-
Accounts payable	2,192	2,462	-	-
Amounts due to subsidiaries	-	-	710	198
Other payables and accruals	4,104	5,648	685	1,788
Derivative financial instruments	562	324	75	25
Income tax payable	297	90	-	-
<b>Total current liabilities</b>	32,790	32,430	6,710	8,273
<b>Total liabilities</b>	102,637	95,934	10,720	12,215
<b>Total equity and liabilities</b>	243,590	236,147	126,081	130,260

**NOTES:**

The Group's non-current assets increased by 11.7% from \$170.9 million on 31 December 2013 to \$190.8 million on 30 June 2014 due mainly to Group's investment in a commercial office development project in Hong Kong (under "Investments") as well as increase in scheduled payments for ships under construction (under "Deposits for purchase of vessels"). Meanwhile current assets reduced from \$65.3 million on 31 December 2013 to \$52.7 million on 30 June 2014 mainly due to reduction in cash to fund the aforementioned investments.

Total liabilities increased to \$102.6 million on 30 June 2014 from \$95.9 million on 31 December 2013 due mainly to increase in borrowings for small residential property investments and ship related investments.

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

	As at 30 June 2014		As at 31 December 2013	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	24,150	1,476	23,073	306
Amount repayable after one year	55,644	13,440	58,134	4,600
Total	79,794	14,916	81,207	4,906

**Details of any collaterals**

The Group's borrowings are secured by means of:

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

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

	Note	Half year ended 30 June	
		2014 US\$'000	2013 US\$'000
<b>Cash flows from operating activities</b>			
Profit before tax		3,015	3,160
Adjustments for:			
Investment returns		(2,939)	(1,366)
Realisation of negative goodwill arising on acquisition of a subsidiary		-	(9)
Amortisation and depreciation		2,798	2,413
Loss on disposal of property, plant and equipment		3	-
Impairment of property, plant and equipment		-	500
Write-back of provision of onerous contracts		-	(184)
Net foreign exchange loss		45	120
Interest income		(443)	(535)
Finance costs – interest expense		1,096	1,037
Finance costs – others		88	142
Allocation to Tokumei Kumiai investors		(72)	126
Operating cash flows before changes in working capital		3,591	5,404
Changes in working capital:			
Net change in accounts receivable		29	1,077
Net change in prepayments, deposits and other receivables		(47)	(504)
Net change in accounts payable		(332)	(1,062)
Net change in other payables and accruals		(1,742)	(486)
Cash flows generated from operations		1,499	4,429
Interest received on bank balances		78	113
Tax paid		(313)	(157)
Net cash flows generated from operating activities	[A]	1,264	4,385
<b>Cash flows from investing activities</b>			
Purchase of investment properties		(1,456)	(1,444)
Purchase of investments		(15,847)	(2,208)
Proceeds from sale of investment properties		1,651	-
Proceeds from redemption/ sale of investments		2,281	692
Net cash inflow on acquisition of an investment		-	17
Deposits paid for purchase of vessels		(9,460)	(6,850)
Purchase of property, plant and equipment		(758)	(25,218)
Redemption of Tokumei Kumiai investors		(508)	(28)
Loans advanced		(4,219)	(1,013)
Loans repaid		5,291	430
Interest received from loans		378	438
Net decrease in deposits pledged as collateral		1,136	242
Proceeds from investments		1,323	194
Settlement of derivative financial instruments		88	2,109
Proceeds from property rental		182	174
Net cash flows used in investing activities	[B]	(19,918)	(32,465)

	Note	Half year ended 30 June	
		2014 US\$'000	2013 US\$'000
<b>Cash flows from financing activities</b>			
New borrowings		16,392	23,325
Repayment of borrowings		(7,958)	(3,850)
Interest paid on borrowings		(1,095)	(1,010)
Other finance cost paid		(40)	(98)
Payment of lease obligation		(4)	(4)
Dividend paid		(2,338)	(1,904)
Contribution from non-controlling interests		5	-
Payment to non-controlling interest		(54)	(54)
Net cash flows generated from financing activities	[C]	4,908	16,405
Net decrease in cash and cash equivalents		(13,746)	(11,675)
Movements in cash and cash equivalents:			
Cash and cash equivalents at beginning of the period		47,566	43,266
Net decrease in cash and cash equivalents		(13,746)	(11,675)
Effects of foreign exchange rate changes, net		447	(1,168)
Cash and cash equivalents at end of the period		34,267	30,423

**NOTES:**

The Group's cash and cash equivalents decreased by \$13.7 million in 1H2014 due mainly to the followings:

- [A] Cash flows generated from operating activities amounted to \$1.3 million for 1H2014 compared to \$4.4 million in 1H2013. Charter income contributed to 1H2014 operating cash flow while lower ad hoc finance arrangement fees coupled with lower asset management fee income from subsidiary, Uni-Asia Capital (Japan) Ltd, resulted in lower operating cash flow for 1H2014 compared to 1H2013.
- [B] Cash flows used in investing activities were \$19.9 million for 1H2014 due to ship and property investments made in 1H2014, including the Group's investment in a new commercial office development project at 650 Chueng Sha Wan Road in Hong Kong.
- [C] Cash flows generated from financing activities were \$4.9 million in 1H2014 due mainly to new borrowings in 1H2014 to finance investment acquisitions offset by scheduled borrowings repayments. Dividend for FY2013 approved in AGM was paid in 2Q2014.

**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.**

<b>Group</b>	<b>Share capital US\$'000</b>	<b>Share premium US\$'000</b>	<b>Retained earnings US\$'000</b>	<b>Fair value reserve US\$'000</b>	<b>Hedging reserve US\$'000</b>	<b>Exchange reserve US\$'000</b>	<b>Capital reserve US\$'000</b>	<b>Total equity attributable to owners of the parent US\$'000</b>	<b>Non-controlling interests US\$'000</b>	<b>Total equity US\$'000</b>
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	-	-	2,972	-	-	-	-	2,972	102	3,074
Other comprehensive expense	-	-	-	-	(1,049)	(682)	-	(1,731)	(3)	(1,734)
Total comprehensive income/ (expense)	-	-	2,972	-	(1,049)	(682)	-	1,241	99	1,340
Capital reserve	-	-	-	(9)	-	-	9	-	-	-
Dividend in respect of 2012	-	-	(1,892)	-	-	-	-	(1,892)	-	(1,892)
Payment to non-controlling interest	-	-	-	-	-	-	-	-	(54)	(54)
At 30 June 2013	75,167	31,319	28,045	-	1	3,254	(117)	137,669	279	137,948
At 1 January 2014	75,167	31,319	30,521	-	23	2,791	(117)	139,704	509	140,213
Profit/ (loss) for the period	-	-	2,722	-	-	-	-	2,722	(14)	2,708
Other comprehensive expense	-	-	-	-	(87)	(84)	-	(171)	(2)	(173)
Total comprehensive income/ (expense)	-	-	2,722	-	(87)	(84)	-	2,551	(16)	2,535
Dividend in respect of 2013	-	-	(2,338)	-	-	-	-	(2,338)	-	(2,338)
Capital reserve	-	-	-	-	-	-	-	-	592	592
Contribution from non-controlling interests	-	-	-	-	-	-	-	-	5	5
Payment to non-controlling interest	-	-	-	-	-	-	-	-	(54)	(54)
At 30 June 2014	75,167	31,319	30,905	-	(64)	2,707	(117)	139,917	1,036	140,953

<b>Company</b>	<b>Share capital US\$'000</b>	<b>Share premium US\$'000</b>	<b>Retained earnings US\$'000</b>	<b>Fair value reserve US\$'000</b>	<b>Hedging reserve US\$'000</b>	<b>Exchange reserve US\$'000</b>	<b>Capital reserve US\$'000</b>	<b>Total equity attributable to owners of the parent US\$'000</b>	<b>Non-controlling interests US\$'000</b>	<b>Total equity US\$'000</b>
At 1 January 2013	75,167	31,319	16,133	-	-	-	-	122,619	-	122,619
Profit for the period	-	-	259	-	-	-	-	259	-	259
Other comprehensive expense	-	-	-	-	(30)	-	-	(30)	-	(30)
Total comprehensive income/ (expense)	-	-	259	-	(30)	-	-	229	-	229
Dividend in respect of 2012	-	-	(1,892)	-	-	-	-	(1,892)	-	(1,892)
At 30 June 2013	75,167	31,319	14,500	-	(30)	-	-	120,956	-	120,956
At 1 January 2014	75,167	31,319	11,589	-	(30)	-	-	118,045	-	118,045
Loss for the period	-	-	(350)	-	-	-	-	(350)	-	(350)
Other comprehensive income	-	-	-	-	4	-	-	4	-	4
Total comprehensive (expense)/ income	-	-	(350)	-	4	-	-	(346)	-	(346)
Dividend in respect of 2013	-	-	(2,338)	-	-	-	-	(2,338)	-	(2,338)
At 30 June 2014	75,167	31,319	8,901	-	(26)	-	-	115,361	-	115,361



- 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 six months ended 30 June 2014, there was no change in share capital.

The Company did not have any convertibles or treasury shares as at 30 June 2014, 31 December 2013 and 30 June 2013.

- 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.**

	<b>As at 30 June 2014</b>	<b>As at 31 December 2013</b>
Total number of issued shares	469,792,800	469,792,800

- 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 2013.

- 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 2013. 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.**

	2 <sup>nd</sup> Quarter		Half year ended 30 June	
	2014	2013	2014	2013
Profit attributable to owners of the parent (US\$'000)	1,498	288	2,722	2,972
Weighted average number of ordinary shares in issue ('000)	469,793	469,793	469,793	469,793
Earnings per share (US cents per share) - basic and diluted	0.32	0.06	0.58	0.63

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

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

	30 June 2014	31 December 2013
Net asset value per ordinary share based on issued share capital at the end of (in US\$)	0.30	0.30

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

#### Review of Income Statement

##### Total Income

Total income of the Group was \$33.1 million for 1H2014, a 10% decline from 1H2013. Changes in major components of total income, including fee income, hotel income and investment returns are explained below.

- (i) Fee Income

Breakdown of Fee Income:	2 <sup>nd</sup> Quarter			Half year ended 30 June		
	2014 US\$'000	2013 US\$'000	% Change	2014 US\$'000	2013 US\$'000	% Change
Charter income	4,390	3,619	21%	9,016	7,081	27%
Asset management & administration fee	726	755	(4%)	1,311	1,644	(20%)
Arrangement and agency fee	527	997	(47%)	1,055	3,599	(71%)
Brokerage commission	105	122	(14%)	210	243	(14%)
Incentive fee	969	-	N/M	969	-	N/M
	6,717	5,493	22%	12,561	12,567	(0%)

Fee income increased by 22% to \$6.7 million in 2Q2014 from \$5.5 million in 2Q2013. Total fee income for 1H2014 maintained fairly the same level as that in 1H2013.

Charter income increased 21% from \$3.6 million in 2Q2013 to \$4.4 million in 2Q2014 due to an additional ship delivered in late 2Q2013 contributing to the Group's charter income. The Group's 1H2014 charter income was \$9.0 million, a 27% increase from \$7.1 million in 1H2013. The increase is in line with the Group's strategy to build up recurring charter income.

In 2Q2014, the Group recorded incentive fee of \$1.0 million for investments the Group managed.

(ii) Hotel Income

Hotel income was \$8.4 million in 2Q2014 compared to \$9.8 million in 2Q2013 as the Group operated 9 hotels in 2Q2014 compared to 10 hotels in 2Q2013. 1H2014 hotel income was \$16.8 million compared to \$21.4 million in 1H2013.

(iii) Investment Returns

Breakdown of Investment Returns:	2 <sup>nd</sup> Quarter			Half year ended 30 June		
	2014 US\$'000	2013 US\$'000	% Change	2014 US\$'000	2013 US\$'000	% Change
Interest on bond	2	3	(33%)	5	3	67%
Realised gain on investment properties	866	-	N/M	866	-	N/M
Realised gain/ (loss) on investments						
- shipping	63	44	43%	107	88	22%
- hotel and residential	67	1	N/M	63	110	(43%)
- small residential property development	158	-	N/M	158	-	N/M
- distressed debt	-	-	N/M	1,206	-	N/M
- others	(22)	-	N/M	(152)	-	N/M
Property rental income	92	87	6%	182	174	5%
Fair value adjustment on investment properties	(516)	(65)	(694%)	(516)	(65)	(694%)
Fair value adjustment on investments						
- shipping	(25)	(129)	81%	91	(754)	112%
- hotel and residential	1,228	303	305%	1,254	364	245%
- office property/ small residential property developments	(632)	(240)	(163%)	(349)	(389)	10%
- distressed debt	-	-	N/M	-	(2)	100%
- listed shares	91	(78)	217%	76	(171)	144%
Net (loss)/ gain on derivative financial instruments	(132)	257	(151%)	(52)	2,008	(103%)
	1,240	183	578%	2,939	1,366	115%

In 2Q2014, the Group partially disposed of its Guangzhou office properties, resulting in a classification of \$0.9 million realised gain on investment properties while reversing of \$0.5 million of fair value gain previously recognised for the same properties. The Group also recorded a gain of \$1.1 million from an investment in Japan which the underlying investment had been disposed of for a gain. Accordingly, investment returns was \$1.2 million for 2Q2014 compared to \$0.2 million for 2Q2013. Investment returns for 1H2014 was \$2.9 million compared to \$1.4 million for 1H2013.

**Total Operating Expenses**

Total operating expenses for the Group declined 10% from \$32.1 million in 1H2013 to \$28.9 million in 1H2014.

Employee benefits expenses, hotel lease expenses and hotel operating expenses reduced by 10%, 14% and 22% respectively in 1H2014 compared to 1H2013 mainly due to reduced number of hotels under operations. On the other hand, in line with the increase in vessel fleet, depreciation expense and vessel operating expenses increased by 16% and 18% respectively in 1H2014 compared to 1H2013.

**Operating Profit**

The Group posted an operating profit of \$4.1 million for 1H2014, a level comparable to \$4.5 million for 1H2013.

**Net Profit After Tax**

Finance costs remained fairly stable in 1H2014 vis-à-vis 1H2013.

As a result of the aforementioned factors, the Group posted a net profit of \$2.7 million for 1H2014 compared to \$3.1 million for 1H2013.

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

Not applicable. The Group has not provided a forecast.

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

Following several acquisitions in 2013 and early 2014, including the investment in a new commercial office development project at 650 Cheung Sha Wan Road in Hong Kong, the Group is now looking for opportunities to expand its recurrent fee-based business including asset management fee income and administration fee income. Meanwhile, the delivery of the Group's 6<sup>th</sup> vessel under Uni-Asia Shipping in late July (the vessel is now time chartered out) would further strengthen the Group's charter income base.

**11 Dividend**

**(a) Current Financial Period Reported On**

**Any dividend declared for the current financial period reported on?**

No.

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

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

No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared/ recommended by the Directors for the second quarter ended 30 June 2014.

**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**

Michio Tanamoto  
Chairman and CEO  
13 August 2014

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

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the second quarter ended 30 June 2014 to be false or misleading in any material aspect.

On behalf of the Board of Directors



---

Michio Tanamoto  
Chairman and CEO

Date: 13 August 2014



---

Masaki Fukumori  
COO