



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

PRESS RELEASE -- FOR IMMEDIATE RELEASE

**Uni-Asia Reports US\$5.8 million
Earnings Attributable to Shareholders for FY2019
With Good Contributions From
Both Property and Shipping Segments**

- FY2019 earnings attributable to shareholders at US\$5.8 million is more than fourfold of its FY2018 earnings of US\$1.2 million
- Total income rose by 10% to US\$136.0 million while operating profit increased 66% to US\$19.6 million for FY2019
- Uni-Asia proposed a final dividend of 2.2 Singapore cents per share. Together with the interim dividend of 2.0 Singapore cents per share, the total dividend for FY2019 amounts to 4.2 Singapore cents per share.

Singapore, 28 February 2020 – Uni-Asia Group Limited (“Uni-Asia” or the “Group”), an alternative investment company, asset manager and integrated service provider of vessels and properties, announced its financial results for the three months and twelve months ended 31 December 2019 (“4Q2019” and “FY2019” respectively).

Income Statements Highlights	4Q2019 US\$'000	4Q2018 US\$'000	Chg %	FY2019 US\$'000	FY2018 US\$'000	Chg %
Total Income	33,155	37,242	(11)	136,012	123,281	10
Total Operating Expenses	(30,786)	(37,215)	(17)	(116,365)	(111,422)	4
Operating Profit	2,369	27	N/M ¹	19,647	11,859	66
Net Profit/ (Loss) After Tax	(820)	(2,283)	(64)	6,605	3,920	68
Profit/ (Loss) Attributable to Owners of Parent Company	(858)	(3,721)	(77)	5,848	1,234	N/M ¹
Basic Earnings Per Share (US cents)²	(1.09)	(5.28)	N/M ¹	7.64	1.75	N/M ¹

¹ N/M – not meaningful

² Numbers are adjusted for weighted average number of ordinary shares in issue, taking the bonus share issue into account

FY2019 FINANCIAL REVIEW

Total Income

Total income rose by 10% to US\$136.0 million in FY2019.

Revenue	4Q2019 US\$'000	4Q2018 US\$'000	Chg %	FY2019 US\$'000	FY2018 US\$'000	Chg %
Charter Income	9,096	10,239	(11)	36,525	39,644	(8)
Fee Income	2,051	1,314	56	7,790	7,003	11
Hotel Income	20,803	20,419	2	81,244	68,587	18
Investment Returns	633	4,973	(87)	8,776	5,760	52
Interest Income	321	226	42	1,052	866	21
Other Income	251	71	N/M	625	1,421	(56)
Total Income	33,155	37,242	(11)	136,012	123,281	10

(i) Charter Income

Charter income declined by 8% to US\$36.5 million in FY2019 because of an absence of income contribution from a vessel that was disposed in April 2018. In addition, some of the Group's ships were due for scheduled maintenance, resulting in a reduction in charter hire days and charter income. Charter income for the Group's sole wholly-owned containership was also lower in FY2019 due to weaker market conditions.

(ii) Fee Income

Fee income grew by 11% to US\$7.8 million in FY2019 aided by increase in asset management and administrative fee as well as brokerage commission. Asset management and administrative fee increased by 23% to US\$3.2 million in FY2019 mainly due to increase in assets under management of the Group's property asset management subsidiary, Uni-Asia Capital (Japan) Limited ("UACJ"). Brokerage commission rose by 135% to US\$1.3 million in FY2019 as the Group closed more brokerage commission deals in FY2019. However, arrangement and agency fee fell by 19% to US\$2.8 million due to less arrangement deal transactions completed in FY2019.

(iii) Hotel Income

Hotel income increased by 18% to US\$81.2 million in FY2019 as both occupancy rates and average daily room rates increased. Occupancy rates at the Group's hotels rose from 80.5% in FY2018 to 83.3% in FY2019 while average daily room rates saw an increment of 3.0% in FY2019 as compared to FY2018.

(iv) Investment Returns

Investment returns increased 52% to US\$8.8 million in FY2019, primarily contributed by the recognition of the investment return of US\$6.2 million from the Group's commercial property projects in Hong Kong.

Total Operating Expenses

Total operating expenses increased marginally by 4% to US\$116.4 million in FY2019. Employee benefits expenses and hotel operating expenses increased by 8% and 17% respectively as the new hotels opened between April 2018 and August 2018 became more established in 2019. In addition, one new hotel started operation in December 2019. The total number of hotel rooms under management increased from around 848 thousand rooms in FY2018 to around 938 thousand rooms in FY2019.

All long-term hotel and ship leases of the Group are now accounted according to IFRS 16 Leases. In addition, in FY2019, the Group disposed of a hotel held as Property, Plant and Equipment through a consolidated Godo Kaisha entity. The disposal resulted in a gain of US\$4.3 million.

Profit

The Group's operating profit increased by 66% from US\$11.9 million for FY2018 to US\$19.6 million for FY2019. Net profit after tax increased by 68% from US\$3.9 million for FY2018 to US\$6.6 million for FY2019. Net profit attributable to shareholders rose 380% from US\$1.2 million for FY2018 to US\$5.8 million for FY2019.

Dividend

The Group proposed a final dividend of 2.2 Singapore cents per share. Together with the interim dividend of 2.0 Singapore cents per share paid on 27 September 2019, the Group has delivered on its promise to pay out at least 35% of its Group profit after tax as dividend for FY2019 as announced on 8 April 2019.

OUTLOOK

COVID-19 Epidemic

The COVID-19 epidemic has caused global fear and anxiety. While it is still unclear the extent to which the global business environment will be impacted, it is certain that there would be negative impact to the global economy which will affect the Group's different business segments to various degree.

Dry Bulk

As the COVID-19 epidemic disrupts travelling to and from China, global shipping market would be adversely affected as China is a major player in the import and export of commodities and finished goods. In addition, other than China, many countries have set up stricter requirements and checks on ships entering their ports and shipyards. The Group's ship management arm has put in place procedures to protect the Group's shipping crew. Meanwhile, charter and resale markets face tough times ahead especially if the epidemic prolongs.

Hong Kong Property

Prior to the COVID-19 epidemic, Hong Kong had already been bracing itself for a tough 2020 due to continuation of anti-extradition bill protests. As the Group's investment horizon in Hong Kong commercial property projects is mid to long term, and the Group has realised gains from the 2nd and 3rd projects during the past years, the Group would be able to take some time to assess the Hong Kong's commercial property market situation before deciding on the timing of exit.

Japan Residential Property

Tokyo residential property market was robust before the COVID-19 epidemic. It is unclear if the epidemic would affect this market. Meanwhile, this is one of the main business focus of the Group for 2020.

Hotel Operation

The Group estimates that its hotel operations may be deeply affected by the epidemic. Restrictions and changes in travel patterns might hurt the Group's hotel operations' bottom-line. In FY2019, approximately 68% of the hotel guests were from Japan, 7.1% from mainland China, and 24.9% from other countries. Although the Group is strategising and considering all options to enhance its returns from its hotel operations in 2020 and beyond, hotel operations are not expected to perform in 2020 especially if the epidemic prolongs.

--- The End ---

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

Uni-Asia Group Ltd is an alternative investment company performing a variety of roles including asset owner and manager, operator, co-investor, ship finance arranger, broker and fund manager. Uni-Asia's investments are focused on cargo vessels and properties in Hong Kong and Japan. To improve investment returns, Uni-Asia also provides integrated services for the invested assets, including acting as operator for commercial maritime vessels and invested properties which encompasses commercial, residential and hotel properties.

Listed on the Main Board of the Singapore Exchange in August 2007, their offices are located in Hong Kong, Singapore, Tokyo, and China.

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

Issued for and on behalf of Uni-Asia Group Limited

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