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

**ANNUAL GENERAL MEETING ON 30 APRIL 2024**
**SHAREHOLDERS' KEY QUESTIONS AND ANSWERS**

The Board of Directors of Uni-Asia Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to thank shareholders for submitting their questions in advance (received before 16 April 2024) of the Annual General Meeting ("**AGM**") to be held at Anson III, Level 2, M Hotel Singapore, 81 Anson Road, Singapore 079908 at 2.00 p.m. on Tuesday, 30 April 2024.

The Company wishes to inform shareholders that it has received questions from shareholders. As certain of the questions received are overlapping and/or similar in nature, the Company has consolidated and have made editorial amendments to some of the questions to ensure that they are clear. For the avoidance of doubt, the editorial amendments do not change the meaning of the questions received by the Company. The following are responses to the substantial and relevant questions raised by shareholders:

1. **While Book Net Asset Value ("NAV") as at 31 December 2023 was US$1.89 per share, the share price is almost 70% below this level. What concrete steps does the management plan to take to unlock this value? What is the specific timeline for these steps? Why has a share buyback not been considered as a way of closing the large gap to NAV (that has persisted for more than 5 years now).**

**Uni-Asia's Replies:**

Management recognises the discrepancy between our NAV and the current share price, noting also that a number of transportation related equities (including those listed on reputable regional stock exchanges such as Korea Stock Exchange, Tokyo Stock Exchange, as well as Hong Kong Stock Exchange) faces a similar challenge. We regularly examine our business plans and actively explore strategies to address this undervaluation. We are confident for the near to mid-term that reinvesting in our robust Japanese real estate portfolio and renewing our fleet at opportune pricing will be the most effective use of funds to ensure long-term shareholder value.

Such initiatives would potentially yield returns that would reflect in our financial performance in coming years which we trust would lead to a progressive closing of the NAV gap.

While a share buyback has been considered, our analysis indicates that reinvestment in growth opportunities offers a more substantial return potential, contributing to a stronger foundation for future earnings and dividends. We believe that this approach, coupled with consistent and competitive dividends, aligns with our commitment to generating sustainable long-term value for our shareholders.

**2. What is the rationale for keeping such a high level of cash on balance sheet relative to market cap without distributing more dividends to shareholders?**

**Uni-Asia's Replies:**

The Group has been consistently paying dividends to shareholders since FY2012.

The cumulative consolidated net profit of the Group from FY2012 to FY2023 was US$65.6 million.

During the same period from FY2012 to FY2023, the Group's dividend (including FY2023's final dividend) was US$32.5 million.

Therefore, over a period of 12 years, our cumulative dividend payout was 50% of our cumulative profit.

We maintain a sound level of cash reserve as a strategic asset to support our growth initiatives, particularly in markets like Japan where we see considerable potential. Our cash position is a deliberate part of our capital allocation strategy, earmarked not only for new projects with compelling returns like our ALERO projects but also for opportunistic renewals of our vessel fleet when attractive prices present themselves.

Our prudent approach balances immediate shareholder returns with reinvestments that we believe will lead to significant value creation. In FY2022, for instance, our strategy allowed us to capitalise on strong business momentum, resulting in substantial earnings and cash flows. This, in turn, enabled us to reward our shareholders with record dividends.

We are confident that this disciplined approach to cash management will, in the long run, generate higher revenue and earnings in the future, resulting in enhanced shareholder value.

**3. Could you clarify what would be the modified NAV (as opposed to book NAV) if you had to mark to market your shipping fleet and the property exposure?**

**Uni-Asia's Replies:**

Our financial statements are prepared in accordance with the International Financial Reporting Standards ("IFRS") where financial assets and liabilities are fair valued in accordance with the requirements of IFRS where applicable.

**4. Lack of industry focus seems to be confusing investors and hurting share price by creating a rather huge holding company / conglomerate discount. Could you kindly clarify the rationale for being in the property business? Why not exit the business and focus all your resources on shipping, given that shipping contributes a large part of the profit?**

**Uni-Asia's Replies:**

Uni-Asia Group Limited is an alternative assets investment manager and we create opportunities for investments for our clients in these alternative assets, which include ships and properties. Our Group has been communicating our Mission Statement and Business Model consistently over the years through all our communication channels including our corporate website, results announcement presentations and corporate updates. We are also very active in our investor relations efforts, and our investor relations activities are documented every year in our annual reports. Therefore, to attribute the discount of our share price to NAV solely to investors being confused with our business model would be over-simplifying the issue.

We would also like to highlight that the share price of the Group as at 31 December 2020 was S$0.60 per share. The current share price is around S$0.80 per share. The total dividend per share paid to shareholders from 31 December 2020 to before the proposed S$0.022 per share final dividend for FY2023 was S$0.247 per share. A shareholder who bought our shares on 31 December 2020 at S$0.60 per share would have made approximately S$0.447 per share in dividends and unrealised gain, a simple total return of close to 75% over a three-year period or an annualised return of more than 21% per annum.

Our investment in the property sector is driven by strategic asset management principles, ensuring we maintain robust revenues even during volatile shipping market cycles. For instance, during the shipping downturn of 2015-2017, our property investments' stability was pivotal in safeguarding the group's financials, allowing us to capitalise on the subsequent shipping upturn. This approach provides the Group with a firm base to address cyclical fluctuations of shipping and property markets.

Our long-term vision sees the property business not as a side venture, but as an integral component that complements our shipping assets, providing balance and stability to our financial performance. The dual nature of our asset classes has historically allowed us to deliver competitive returns and strong dividends, as seen in the record distributions of 2022 following the shipping boom.

We continually evaluate our corporate structure to ensure each asset class enhances shareholder value. In addition to focusing on our financial performance, we believe that consistent shareholder communication is also important. We remain committed to clear and consistent shareholder communications to articulate the intrinsic value and rationale of our business strategy. We believe that our multi-faceted approach, carefully managed, will continue to yield significant returns and strengthen our market position.

**5. Please clarify the rationale for management members' bonus awards in a year where the profitability is down, dividends to shareholders have been cut and the share price is down a lot year on year (and continues to trade at a big discount to NAV)?**

**Uni-Asia's Replies:**

For any organisation to be successful, it is important to retain and motivate key talents.

The Group's human resource pool is highly specialised in the areas of dry bulk market, property, and/or other areas of expertise. With only around 70 headcounts across Hong Kong, Japan, Singapore and China managing close to US$149 million of net assets for shareholders, it is imperative that the Group continues to incentivise talents for sustainable long-term growth.

As mentioned in Question 2, the Group's cumulative dividends for 12 years from FY2012 to FY2023 was 50% of the Group's cumulative net profit for the same 12-year period. We credit this in part to the collective effort of the Group's talent pool on the back of the value we place upon each member by upholding meritocracy both in recruitment and in rewards.

With the appropriate compensation, we are investing in our Group's future. We expect that the robust strategies implemented by our management will address current and future challenges and position us to close the gap to our NAV, reflect positively on our share price, and enable us to continue to pay dividends to shareholders in the years to come.

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