

Media Release

Yoma Strategic's FY2016 net profit to shareholders increased by 32.6% to S\$37.2 million

- Strong net profit growth driven by non-real estate businesses and robust contributions from telecommunication towers investment
- Leasing revenue from investment properties doubled supported by healthy leasing environment
- Real estate sales saw a gradual improvement in 4Q2016 from the pre-election lull
- Earnings per share increased by 7.5% to 2.15 Singapore cents
- Proposed final cash dividend of 0.25 Singapore cents per ordinary share

FINANCIAL HIGHLIGHTS						
In S\$ million except otherwise stated	4Q2016	4Q2015	Change	FY2016	FY2015	Change
Revenue	45.7	27.6	65.8%	111.9	110.9	0.8%
Gross Profit	13.4	13.0	3.0%	40.7	45.6	-10.6%
Net Profit	14.5	11.9	22.2%	44.0	39.3	11.9%
Net Profit attrib. to Equity Holders	8.9	8.2	8.9%	37.2	28.1	32.6%

Singapore, 19 May 2016 – SGX Mainboard listed Yoma Strategic Holdings Ltd. (“裕玛战略控股有限公司”, “Yoma Strategic” or collectively with its subsidiaries, the “Group”) today announced its financial results for the full year and fourth quarter ended 31 March 2016.

Results Highlights

Yoma Strategic delivered a strong performance for FY2016 and the fourth quarter ended 31 March 2016 (“4Q2016”). Net profit grew 22.2% in 4Q2016 to S\$14.5 million and increased by 11.9% to S\$44.0 million for FY2016. The healthy growth was underpinned by the performance of the Group’s non-real estate businesses and robust contributions from its telecommunication towers investment. The Group’s real estate performance also saw a gradual improvement in 4Q2016 following the smooth transition of the Myanmar new government after the November 2015 election.

Revenue from the Group's non-real estate businesses recorded a 158.7% growth to S\$43.0 million in FY2016, mainly driven by its New Holland tractor and Yoma Fleet businesses. The Group's KFC business also maintained its growth momentum driven by more store openings, while its 'Balloons Over Bagan' tourism business, which runs from October to March every year, continued to record healthy growth supported by the growing tourism market in Myanmar.

Revenue generated by the sales of residences and land development rights ("LDRs") recorded a 110.6% growth in 4Q2016 to S\$26.3 million. The increase was mainly due to the sale of units in Star City Zone B. As previously announced, the Group sold the LDRs relating to Zone B to a third party investor for further development into 1,043 units. The Group negotiated to re-purchase the last remaining 117 unsold units of which 90 units were subsequently resold in 4Q2016 at a profit to end buyers. Nevertheless, this segment recorded a 40.5% decline in FY2016

Meanwhile, rental revenue generated from the Group's investment properties doubled to S\$11.14 million in FY2016 compared to FY2015 as the Group's Star Residences (Building A5 in Star City Zone A) and Pun Hlaing Residences (Lakeview G in Pun Hlaing Golf Estate) recorded higher occupancy and higher rentals.

Gross profit margin decreased to 36.4% in FY2016 as compared to 41.1% in FY2015 mainly due to a lower margin in the automotive segment as compared to the real estate segment as well as a lower margin generated by revenue in Star City.

The decline was however offset by a significant increase in the Group's other income segment, which grew by 49.8% in 4Q2016 and 77.3% in FY2016, driven by the S\$9.1 million fair value gain from its telecommunication towers investment supported by strong operating results through additional tenants in the existing towers. The healthy leasing environment for the Group's investment properties and the progressive completion of its Dulwich international school at Star City also resulted in fair value gains of S\$13.0 million.

As a result, net profit attributable to shareholders grew 8.9% year-on-year to S\$8.9 million in 4Q2016, and rose 32.6% for the full year to S\$37.2 million, while earning per shares increased to 2.15 cents as at 31 March 2016 from 2.00 cents as at 31 March 2015.

FY2016 dividend proposed

The Board of Directors of the Group has proposed a final cash dividend of 0.25 Singapore cents per ordinary share for FY2016, which is subject to shareholders' approval.

Mr. Melvyn Pun, Yoma Strategic's Chief Executive Officer said, "We are very pleased to reward shareholders for their continued support and confidence in us with this dividend. We embarked on a diversification journey over the last

couple of years and are gradually seeing results. The strong growth in our non-real estate businesses has paved the way for Yoma Strategic to add recurring income streams to complement our steadfast real estate business, which will help drive higher shareholder returns.”

Financial Position

The net assets attributable to the equity holders of the Group increased to S\$669.4 million as at 31 March 2016 as compared to S\$661.8 million as at 31 March 2015. Correspondingly, the Group’s net asset value per share as at 31 March 2016 rose to 38.6 cents as compared to 38.3 cents as at 31 March 2015.

Borrowings for the Group increased to S\$89.7 million as at 31 March 2016 as compared to S\$25.8 million as at 31 March 2015, where majority of the additional loan facility was used to fund the expansion of Yoma Fleet and the investment in the telecommunication towers business.

Mr Melvyn Pun further added, “We have a healthy net gearing of 17.7% and a good headroom from the US\$100 million ADB loan facility, of which US\$23.0 million had been drawn down to date. Our strong balance sheet will continue to provide a competitive advantage to grow our businesses.”

Outlook

ADB forecasts Myanmar’s economic growth to be 8.4% for the year ending 31 March 2017, making the country one of the fastest growing economies in Asia. The continued political and economic reforms by the newly elected government are expected to raise consumer and investor confidence. This rising confidence and positive business sentiments support economic growth, which will have a positive impact on the Group’s businesses.

Real Estate

In Pun Hlaing Golf Estate, the Group will commence launching new products in the coming months¹ which comprise the first phase of a 176-unit condominium, 70 townhouses and 21 villas. These new projects, coupled with the 27 houses from existing launches, are expected to drive the Group’s revenue from Pun Hlaing Golf Estate in the next 24 to 36 months. Meanwhile, the Group has launched 334 of its 954 units in its Star City’s Galaxy Towers for sale.

¹ Based on latest development design and is subject to changes

The Group expects the sale of residences in Pun Hlaing Golf Estate and Star City to pick up from the pre-election lull. In addition, the enactment of the condominium law which allows foreigners to purchase up to 40% of a condominium apartment block and gives buyers' access to bank financing is expected to facilitate sales in the medium term.

Automotive

The New Holland agricultural equipment sales business remains the Group's biggest revenue generator for its automotive segment. The number of tractors sold grew by 22.8% year-on-year to 607 tractors and the Group expects the strong growth to continue, supported by the mechanisation of the sector and government initiatives to grow this sector. Yoma Fleet, the Group's vehicle leasing business which has a portfolio of 332 vehicles as at 31 March 2016 is also expected to expand quickly.

Consumer

The KFC business will continue to focus on increasing its store count and improving operational efficiency. The Group added its fifth store in April 2016 and looks on track to have up to 12 stores by March 2017.

Investments

Telecommunication infrastructure remains one of the fastest growing segments in Myanmar. The telecommunication towers business enjoyed strong operating results through additional tenants in the existing towers. The mobile network operators in Myanmar have enjoyed success in rolling out their coverage, while the government is proceeding to grant a fourth telecommunication license, which bodes well for the outlook of the towers owners.

The Group is positive that the value of its 25% stake in its telecommunication tower business will continue to increase supported by the expected growth in EBITDA from the co-location of additional tenants on the existing 1,250 towers and the repayment of loans through operating cash flow. Furthermore, edotco Myanmar has announced the intention to construct 5,000 towers over the next three years.

Mr Serge Pun, Yoma Strategic's Executive Chairman commented, "We are seeing signs of the real estate market returning following a peaceful transition to the new leadership. Looking ahead, we are optimistic about both our medium and long-term growth prospects, as we continue our focus on employing a prudent and disciplined approach to drive our revenue growth. We remain positive that the new government and administration will expedite the rate of reform for the country to continue its economic growth momentum."

End.

Note: This media release should be read in conjunction with the results announcement released on the SGXNet on the same date.

About Yoma Strategic Holdings Ltd. (www.yomastrategic.com)

Listed on the Main Board of the Singapore Securities Exchange Trading Limited (SGX-ST), Yoma Strategic Holdings Ltd. is a leading business corporation with real estate, consumer, automotive, agriculture & logistic and tourism businesses in Myanmar. Together with its partner, the SPA Group, the Group is taking a conglomerate approach to build a diversified portfolio of businesses in Myanmar. The Company was ranked in the top 10% of the Governance and Transparency index 2015, ranked 17th out of top 100 largest Singapore companies in the Asean Corporate Governance Scorecard 2015 and won the Best Managed Board (Silver) Award at the 10th Singapore Corporate Awards in 2015.

For enquiries, please contact:

Analyst contact:

Ms Jane Kwa, Tel: (65) 9759 2602 Email: [janekwa@yomastrategic.com](mailto:jane kwa@yomastrategic.com)

Group Media contact:

Ms Sylvia Saw McKaige, Tel: (65) 9476 2581 Email: sylviamckaige@yomastrategic.com

Ms Ann-mon San, Tel: 95-09-26225 4841 Email: annmonsan@yomastrategic.com

For any queries, please contact Cogent Communications:

Ms Emily Choo, Tel: (65) 6704-9278 Mob: (65) 9734-6565 Email: emily@cogentcomms.com

Mr Gerald Woon, Tel: (65) 6704-9277, Mob: (65) 9694-8364 Email: woon@cogentcomms.com