

UNAUDITED FINANCIAL STATEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2018

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

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

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 JUNE 2018

	The Group		
	S\$'000		%
	Quarter ended		Increase/ (Decrease)
	30.06.2018	30.06.2017	
Continuing operations			
Revenue	29,363	25,781	13.9
Cost of sales	(19,068)	(15,314)	24.5
Gross profit	10,295	10,467	(1.6)
<i>Gross profit margin</i>	35.1%	40.6%	
Other income, net	5,770	8,936	(35.4)
Expenses			
- Administrative	(16,990)	(12,346)	37.6
- Finance	(15,637)	(1,889)	727.8
Share of losses of joint ventures	(577)	(384)	50.3
Share of losses of associated companies	(2,617)	(20)	12,985.0
(Loss)/profit before income tax	(19,756)	4,764	(514.7)
Income tax expense	(263)	(152)	73.0
(Loss)/profit from continuing operations	(20,019)	4,612	NM
Discontinued operations⁽¹⁾			
Loss from discontinued operations, net of tax	-	(732)	NM
Total (loss)/profit	(20,019)	3,880	NM
Other comprehensive income/(losses):			
Items that may be reclassified subsequently to profit or loss:			
- Currency translation income/(losses) arising from consolidation	9,440	(1,779)	NM
- Share of other comprehensive losses of associated companies	(778)	-	NM
- Fair value change of financial assets	-	6	NM
Other comprehensive income/(losses), net of tax	8,662	(1,773)	NM
Total comprehensive (losses)/income for the financial period	(11,357)	2,107	NM
Total (loss)/profit attributable to:			
Equity holders of the Company	(15,904)	2,817	NM
Non-controlling interests	(4,115)	1,063	NM
	(20,019)	3,880	NM

The Group		
S\$'000		%
Quarter ended		Increase/ (Decrease)
30.06.2018	30.06.2017	
(15,904)	3,318	NM
-	(501)	NM
(15,904)	2,817	NM
(13,111)	2,932	NM
1,754	(825)	NM
(11,357)	2,107	NM

(Loss)/Profit attributable to equity holders of the Company relates to:

(Loss)/Profit from continuing operations
Loss from discontinued operations

Total comprehensive (loss)/income attributable to:

Equity holders of the Company
Non-controlling interests

NM - Not meaningful

⁽¹⁾ Discontinued operations refer to the results of the tourism related businesses which were sold in December 2017.

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:

The Group		
S\$'000		%
Quarter ended		Increase/ (Decrease)
30.06.2018	30.06.2017	
345	345	-
2,862	2,227	28.5
80	123	(35.0)
349	349	-
(5,580)	-	NM
-	(7,438)	NM
4,946	3,042	62.6
(39)	(959)	(95.9)
10,055	(1,413)	NM
1,269	(207)	NM

Continuing operations:

Expenses/(income)

Amortisation of intangible assets
Depreciation of property, plant and equipment
Employee share options expense
Employee share awards expense
Fair value gains on financial assets – fair value through profit or loss
Fair value gains on investment properties
Interest expenses on borrowings
Interest income
Currency translation losses/(gains) on borrowings, net
Currency translation losses/(gains), net

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

	The Group (S\$'000)		The Company (S\$'000)	
	30.06.2018	(Restated) 31.03.2018	30.06.2018	31.03.2018
ASSETS				
Current assets				
Cash and bank balances	42,968	33,411	25,540	18,388
Trade and other receivables	68,549	67,578	9,190	7,298
Inventories	30,618	35,260	-	-
Development properties	393,594	356,557	-	-
Other assets	74,010	70,973	2,171	2,888
Financial assets – fair value through profit or loss	61,023	53,955	-	-
Land development rights	7,876	8,214	-	-
	678,638	625,948	36,901	28,574
Non-current assets				
Trade and other receivables	19,778	35,525	-	-
Other assets	1,932	1,232	-	-
Available-for-sale financial assets	-	8,132	-	-
Financial assets – fair value through profit or loss	8,106	-	-	-
Financial assets – other comprehensive income	1,240	-	-	-
Investments in joint ventures	10,888	12,613	-	-
Investments in associated companies	121,442	101,865	-	-
Investments in subsidiary corporations	-	-	845,993	818,716
Investment properties	263,997	265,728	-	-
Prepayments	7,573	7,264	-	-
Property, plant and equipment	71,602	68,209	96	96
Intangible assets	26,275	26,618	-	-
Land development rights	210,616	211,327	-	-
	743,449	738,513	846,089	818,812
Total assets	1,422,087	1,364,461	882,990	847,386
LIABILITIES				
Current liabilities				
Trade and other payables	124,788	143,183	8,817	9,453
Current income tax liabilities	5,636	5,844	261	311
Borrowings	125,768	93,351	99,903	76,763
Deferred income tax liabilities	702	739	-	-
	256,894	243,117	108,981	86,527
Non-current liabilities				
Trade and other payables	18,747	17,984	-	-
Borrowings	181,423	150,116	107,104	113,942
Put options to non-controlling interests	37,785	37,212	37,785	37,212
Shareholders' loans from non-controlling interests	40,465	37,802	-	-
	278,420	243,114	144,889	151,154
Total liabilities	535,314	486,231	253,870	237,681
NET ASSETS	886,773	878,230	629,120	609,705

	The Group (S\$'000)		The Company (S\$'000)	
	30.06.2018	(Restated) 31.03.2018	30.06.2018	31.03.2018
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	673,130	673,130	673,130	673,130
Perpetual bonds	20,044	-	20,044	-
Share options reserve	4,778	4,698	4,778	4,698
Share awards reserve	2,851	2,502	2,851	2,502
Currency translation reserve	(15,483)	(18,276)	-	-
Fair value reserve	-	(341)	-	-
Put options reserve	(37,785)	(37,212)	(37,785)	(37,212)
Retained profits/(accumulated losses)	73,958	90,203	(33,898)	(33,413)
	721,493	714,704	629,120	609,705
Non-controlling interests	165,280	163,526	-	-
Total equity	886,773	878,230	629,120	609,705

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

Amount repayable in one year or less, or on demand

As at 30.06.2018		As at 31.03.2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
48,815	76,953	35,257	58,094

Amount repayable after one year

As at 30.06.2018		As at 31.03.2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
181,423	-	150,116	-

Total borrowings increased from S\$243.47 million as at 31 March 2018 to S\$307.19 million as at 30 June 2018.

Included in total secured borrowings as at 30 June 2018 were:-

- (a) a loan of S\$97.59 million (or US\$71.33 million) owing by the Company to the Asian Development Bank ("ADB"). The loan is secured by:-
 - (i) shares in YSH Finance Ltd (which holds the Group's 12.5% interest in edotco Investments Singapore Pte Ltd ("edotco Investments")) and an assignment of the put in relation to edotco Investments (the "edotco Investments Assignment");
 - (ii) the assignment and/or mortgage of the Group's interests in Yoma Fleet Limited ("Yoma Fleet");
 - (iii) the assignment and/or mortgage of the Group's interests in KOSPA Limited;
 - (iv) the assignment and/or mortgage of the Group's interest in Star City International School Company Limited ("SCIS");
 - (v) the assignment and/or mortgage of the Group's interest in Yangon Sands Industries Limited (Dulwich International School at Pun Hlaing Estate);
 - (vi) shares in the Company's joint venture, Yoma Micro Power (S) Pte Ltd ("YMP"); and
 - (vii) the assignment of rights and interests in certain receivables in Convenience Prosperity Company Limited ("Convenience Prosperity").
- (b) a loan of S\$32.84 million (or US\$24.00 million) owing by the Company which is also secured by the edotco Investments Assignment;
- (c) a loan of S\$13.68 million (or US\$10.00 million) owing by Xun Xiang (Dalian) Enterprise Co Ltd ("Xun Xiang") which is secured by its investment property (i.e. retail mall in Dalian, China);
- (d) a loan of S\$9.07 million (or Kyats9.30 billion) secured by an investment property and certain land development rights in Myanmar;
- (e) a loan of S\$13.68 million (or US\$10.00 million) owing by Yoma Fleet to the International Finance Corporation ("IFC"). This loan is secured by the assignment and/or mortgage of the Group's interests in Yoma Fleet;
- (f) a loan of S\$17.20 million (or US\$12.57 million) owing by Yoma Development Group Limited. This loan is secured by an investment property in Myanmar; and
- (g) loans of S\$46.18 million (or US\$33.75 million) owing by Meeyahta Development Limited ("MDL"). These loans are secured by the shares in MDL and the leasehold interest in land held by MDL.

Unsecured borrowings as at 30 June 2018 comprised loans of S\$15.00 million and S\$61.95 million (or US\$45.28 million).

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

	The Group	
	S\$'000	
	Quarter ended	
	30.06.2018	30.06.2017
Cash flows from operating activities:		
Total (loss)/profit	(20,019)	3,880
Adjustments for:		
Income tax expense	263	152
Depreciation of property, plant and equipment	2,862	2,315
Amortisation of intangible assets	345	431
Write-off of property, plant and equipment	-	477
Fair value gains on investment properties	-	(7,438)
Gain on disposal of property, plant and equipment	(11)	(93)
Interest income	(39)	(960)
Interest expenses on borrowings	4,946	3,042
Employee share options expense	80	123
Employee share awards expenses	349	349
Share of losses of joint ventures	577	384
Share of losses of associated companies	2,617	20
Unrealised currency translation losses/(gains)	9,517	(2,967)
Operating cash flows before changes in working capital	1,487	(285)
Changes in working capital:		
Trade and other receivables	(1,900)	(10,040)
Inventories and properties under development	9,115	1,254
Land development rights	1,982	(53)
Trade and other payables	(19,987)	(353)
Financial assets at fair value through profit or loss	(8,300)	403
Cash used in operations	(17,603)	(9,074)
Interest received	38	157
Income tax paid	(261)	(788)
Net cash used in operating activities	(17,826)	(9,705)
Cash flows from investing activities:		
Additions to investment properties	(1,631)	(6,194)
Additions to property, plant and equipment	(5,762)	(3,738)
Additions to investments in future projects	(987)	(2,711)
Additions to development properties intended for investing activities	(31,943)	(18,574)
Prepayment for operating rights	(339)	(70)
Prepayment for property, plant and equipment	(2,513)	(348)
Investments in joint ventures	-	(163)
Proceeds from disposal of property, plant and equipment	253	326
Net cash used in investing activities	(42,922)	(31,472)

The Group		
S\$'000		
Quarter ended		
30.06.2018	30.06.2017	
Cash flows from financing activities:		
Interest paid	(5,524)	(3,602)
Proceeds from issuance of perpetual bonds	20,044	-
Proceeds from borrowings	73,220	24,431
Repayment of borrowings	(20,350)	(695)
Loan to a non-related party	-	(3,411)
Capital contribution from non-controlling interests	-	13,986
Loan from non-controlling interests	1,923	-
Shareholders' loans to associated companies	-	(1,099)
Interest received	-	272
Increase in bank deposits restricted for use	(93)	-
Net cash provided by financing activities	69,220	29,882
Net increase/(decrease) in cash and cash equivalents	8,472	(11,295)
Cash and cash equivalents		
Beginning of financial period	17,093	23,575
Effects of currency translation on cash and cash equivalents	297	(171)
End of financial period	25,862	12,109

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:-

The Group		
S\$'000		
Quarter ended		
30.06.2018	30.06.2017	
Cash and bank balances	42,968	23,281
Less: Bank deposits restricted for use	(17,106)	(11,172)
Cash and cash equivalents per consolidated statement of cash flows	25,862	12,109

1(d)(i) A statement (for the issuer and group) 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.

S\$'000											
The Group	Attributable to equity holders of the Company										Total
	Share Capital	Share Option Reserve	Share Award Reserve	Currency Translation Reserve	Fair Value Reserve	Put Options Reserve	Perpetual Bonds	Retained Profits	Total	Non-controlling Interests	
As at 31 March 2018 as previously reported	673,130	4,698	2,502	(69,460)	(341)	(37,212)	-	141,387	714,704	163,526	878,230
Adoption of SFRS(1)1	-	-	-	51,184	-	-	-	(51,184)	-	-	-
As restated at 31 March 2018 and 1 April 2018	673,130	4,698	2,502	(18,276)	(341)	(37,212)	-	90,203	714,704	163,526	878,230
Adoption of SFRS(1)9	-	-	-	-	341	-	-	(341)	-	-	-
As restated at 1 April 2018	673,130	4,698	2,502	(18,276)	-	(37,212)	-	89,862	714,704	163,526	878,230
Accretion of imputed interest – put options to non-controlling interests	-	-	-	-	-	(573)	-	-	(573)	-	(573)
Employee share options scheme – value of employee services	-	80	-	-	-	-	-	-	80	-	80
Employee share awards scheme – value of employee services	-	-	349	-	-	-	-	-	349	-	349
Issuance of perpetual bonds	-	-	-	-	-	-	20,044	-	20,044	-	20,044
Total comprehensive income/(loss)	-	-	-	2,793	-	-	-	(15,904)	(13,111)	1,754	(11,357)
At 30 June 2018	673,130	4,778	2,851	(15,483)	-	(37,785)	20,044	73,958	721,493	165,280	886,773
As at 1 April 2017 as previously reported	591,504	4,266	992	(51,184)	(728)	-	-	119,328	664,178	78,618	742,796
Adoption of SFRS(1)1	-	-	-	51,184	-	-	-	(51,184)	-	-	-
As restated at 1 April 2017	591,504	4,266	992	-	(728)	-	-	68,144	664,178	78,618	742,796
Employee share options scheme – value of employee services	-	123	-	-	-	-	-	-	123	-	123
Employee share awards scheme – value of employee services	-	-	349	-	-	-	-	-	349	-	349
Additional capital contributions from non-controlling interests	-	-	-	-	-	-	-	-	-	13,986	13,986
Dividends declared to non-controlling interests	-	-	-	-	-	-	-	-	-	(4,934)	(4,934)
Total comprehensive income/(loss)	-	-	-	109	6	-	-	2,817	2,932	(825)	2,107
At 30 June 2017	591,504	4,389	1,341	109	(722)	-	-	70,961	667,582	86,845	754,427

1(d)(i) A statement (for the issuer and group) 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.

S\$'000							
The Company	Share Capital	Share Option Reserve	Share Award Reserve	Put Options Reserve	Perpetual Bonds	Accumulated Losses	Total
At 1 April 2018	673,130	4,698	2,502	(37,212)	-	(33,413)	609,705
Accretion of imputed interest – put options to non-controlling interests	-	-	-	(573)	-	-	(573)
Employee share options scheme – value of employee services	-	80	-	-	-	-	80
Employee share awards scheme - value of employee services	-	-	349	-	-	-	349
Issuance of perpetual bonds	-	-	-	-	20,044	-	20,044
Total comprehensive loss	-	-	-	-	-	(485)	(485)
At 30 June 2018	673,130	4,778	2,851	(37,785)	20,044	(33,898)	629,120
At 1 April 2017	591,504	4,266	992	-	-	(38,925)	557,837
Employee share options expense	-	123	-	-	-	-	123
Employee share awards expense	-	-	349	-	-	-	349
Total comprehensive income	-	-	-	-	-	19,606	19,606
At 30 June 2017	591,504	4,389	1,341	-	-	(19,319)	577,915

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.

Employee Shares Option Scheme

The Company did not allot and issue any new ordinary shares pursuant to the Employees Shares Option Scheme (YSH ESOS 2012) during the three-month period ended 30 June 2018. As at 30 June 2018, the outstanding share options granted under the YSH ESOS 2012 were for a total of 16.79 million (30 June 2017: 16.79 million) ordinary shares.

Performance Share Plan

The Company did not grant any awards under the Yoma Performance Share Plan (“Yoma PSP”) during the three-month period ended 30 June 2018. As at 30 June 2018, the total number of outstanding ordinary shares awarded under the Yoma PSP was 11.09 million (30 June 2017: 11.97 million).

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.

Total number of issued shares as at 30 June 2018 – 1,893,575,319

Total number of issued shares as at 31 March 2018 – 1,893,575,319

The Company had no treasury shares as at 30 June 2018 and 31 March 2018.

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.

Nil

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

The figures have not been audited nor reviewed by the Company's independent auditor.

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

NA.

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

Save as disclosed in paragraph 5 below, the Group has consistently applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to its audited financial statements for the financial year ended 31 March 2018.

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

In December 2017, the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards (International) (SFRS(I)). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) at 31 December 2017 that are applicable for annual period beginning on 1 January 2018. Singapore-incorporated companies that have issued, or are in the process of issuing equity or debt instruments for trading in a public market in Singapore, will apply SFRS(I) with effect from annual periods beginning on or after 1 January 2018.

As required by the listing requirements of the Singapore Exchange, the Group has adopted SFRS(I) on 1 April 2018 and has issued its first set of financial information prepared under SFRS(I) for the period ended 30 June 2018. The Group's financial statements for the financial year ending 31 March 2019 will be prepared in accordance with SFRS(I).

In adopting SFRS(I), the Group is required to apply all of the specific transition requirements in SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International). In addition to the adoption of the new framework, the Group will also concurrently apply the following SFRS(I)s, interpretations of SFRS(I)s and requirements of SFRS(I)s which are mandatorily effective from the same date.

- SFRS(I) 15 Revenue from Contracts with Customers which includes the clarifications to IFRS 15 Revenue from Contracts with Customers issued by the IASB in April 2016;
- SFRS(I) 9 Financial Instruments which includes the amendments to IFRS 4 Insurance Contracts – Applying IFRS 9 Financial Instruments with IFR 4 Insurance Contracts issued by the IASB in September 2016;
- Requirements in SFRS(I) 2 Share-based Payment arising from the amendments to IFRS 2 – Classification and Measurement of Share-based Payment Transactions issued by the IASB in June 2016;
- Requirements in SFRS(I) 1-40 Investment Property arising from the amendments to IAS 40 – Transfers of Investment Property issued by the IASB in December 2016;
- Requirements in SFRS(I) 1 arising from the amendments to IFRS 1 – Deletion of short-term exemptions for first-time adopters issued by the IASB in December 2016;
- Requirements in SFRS(I) 1-28 Investments in Associates and Joint Ventures arising from the amendments to IAS 28 – Measuring an associate or joint venture at fair value issued by the IASB in December 2016; and
- SFRS(I) INT 22 Foreign Currency Transactions and Advance Consideration.

Except for the following standards and interpretations set out in 5(i) to 5(iii), the Group does not expect the application of the above standards and interpretations to have a significant impact on the financial statements.

5(i) SFRS(I) 1

When the Group adopts SFRS(I) in 1 April 2018, the Group will apply SFRS(I) 1 with 1 April 2017 as the date of transition for the Group and the Company. SFRS(I) 1 generally requires that the Group applies SFRS(I) on a retrospective basis, as if such accounting policy had always been applied. If there are changes to accounting policies arising from new or amended standards effective in 2018, restatement of comparatives may be required because SFRS(I) 1 requires both the opening balance sheet and comparative information to be prepared using the most current accounting policies. SFRS(I) 1 provides mandatory exceptions and optional exemptions from retrospective application, but these are often different from those specific transition provisions in individual FRSs applied to the FRS financial statements. Except as described below, the Group does not expect the application of the mandatory exceptions and the optional exemptions in SFRS(I) 1 to have any significant impact on the financial statements.

Foreign currency translation reserve (FCTR)

The Group plans to elect the optional exemption in SFRS(I) 1 to reset its cumulative FCTR for all foreign operations to nil at the date of transition, and reclassify the cumulative FCTR with debit balance of \$51,184,000 as at 1 April 2017 determined in accordance with FRS at that date to retained earnings. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition.

5(ii) SFRS(I) 9

SFRS(I) 9 contains new requirements for classification and measurement of financial instruments, a new expected credit loss model for calculating impairment of financial assets, and new general hedge accounting requirements.

Changes in accounting policies resulting from the adoption of SFRS(I) 9 will generally be applied by the Group retrospectively, except as described below.

The Group plans to take advantage of the exemption in SFRS(I) 1 allowing it not to restate comparative information in the 2018 SFRS(I) financial statements. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 are recognised in retained earnings and reserves as at 1 April 2018.

The following assessments have to be made on the basis of facts and circumstances that existed at 1 April 2018.

- The determination of the business model within which a financial asset is held.
- The determination of whether the contractual terms of a financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- The designation of an investment in equity instruments that is not held for trading at fair value through other comprehensive income (FVOCI).
- The designation and revocation of previous designations of certain financial assets and financial liabilities measured at fair value through profit or loss (FVTPL).

The Group and the Company have assessed the business models that are applicable on 1 April 2018 to financial assets so as to classify them into the appropriate categories under SFRS(I) 9. The Group has elected to recognise changes in the fair value of its private investment funds, previously classified as available-for-sale investments, in profit or loss and to classify its investment in an unquoted equity securities as financial assets FVOCI.

SFRS(I) 9 replaces the current ‘incurred loss’ model with a forward-looking expected credit loss (“ECL”) model. The new impairment model will apply to financial assets measured at amortised cost or fair value through other comprehensive income (“FVOCI”), except for investments in equity instruments, and certain loan commitments and financial guarantee contracts.

The expected impact on adoption of SFRS(I) 9 are described below. The information below reflects the Group’s expectation of the implications arising from changes in the accounting treatment, however, the actual tax effect may change when the transition adjustments are finalised.

5(iii) SFRS(I) 15

SFRS(I) 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

Based on the existing contractual arrangement for revenue, management has assessed that the implementation of SFRS(I) 15 does not result in a change in the amounts and timing of revenue recognition by the Group in respect of properties under development as at 30 June 2018.

The reconciliation of this change in accounting policies is as follows:

Group	01.04.2017			01.04.2018		
	As reported S\$’000	Effects S\$’000	As restated S\$’000	As reported S\$’000	Effects S\$’000	As restated S\$’000
<u>Statement of financial position</u>						
Currency translation reserve	(51,184)	51,184	-	(69,460)	51,184	(18,276)
Fair value reserve	(728)	-	(728)	(341)	341	-
Retained earnings	119,328	(51,184)	68,144	141,387	(51,525)	89,862

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.

	The Group					
	Quarter ended 30.06.2018			Quarter ended 30.06.2017		
	Continuing	Discontinued	Total	Continuing	Discontinued	Total
(a) Basic earnings per ordinary share						
Net profit/(loss) attributable to equity holders of the Company (S\$'000)	(15,904)	-	(15,904)	3,318	(501)	2,817
Weighted average number of ordinary shares outstanding ('000)	1,893,575	-	1,893,575	1,737,688	1,737,688	1,737,688
Basic (loss)/earnings per ordinary share (cents)	(0.84)	-	(0.84)	0.19	(0.03)	0.16

	The Group					
	Quarter ended 30.06.2018			Quarter ended 30.06.2017		
	Continuing	Discontinued	Total	Continuing	Discontinued	Total
(b) Diluted earnings per ordinary share						
Net profit/(loss) attributable to equity holders of the Company (S\$'000)	(15,904)	-	(15,904)	3,318	(501)	2,817
Weighted average number of ordinary shares outstanding ('000)	1,908,300	-	1,908,300	1,755,052	1,755,052	1,755,052
Basic (loss)/earnings per ordinary share (cents)	(0.84)*	-	(0.84)*	0.19	(0.03)*	0.16

As at 30 June 2018, there were share options for a total of 16.79 million (30 June 2017: 16.79 million) ordinary shares under the YSH ESOS 2012 and performance share awards of 11.09 million (30 June 2017: 11.79 million) under the Yoma PSP that were outstanding. The weighted average number of shares in issue for the purpose of calculating diluted earnings per share had been adjusted as if all dilutive share options were exercised and all performance share awards were issued as at 30 June 2018 and 30 June 2017 respectively.

*As a loss was incurred for the financial period, the dilutive potential shares under the YSH ESOS 2012 and performance share awards were anti-dilutive and no change has been made to the diluted loss per share.

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

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

	The Group		The Company	
	30.06.2018	31.03.2018	30.06.2018	31.03.2018
Net asset value per share (cents)	38.10	37.74	33.22	32.20

The net asset value per share attributable to equity holders of the Company was calculated based on the number of ordinary shares in issue being 1,893,575,319 as at 30 June 2018 and 31 March 2018 respectively.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

INCOME STATEMENT

Continuing operations

The Group's total revenue for the current reporting quarter ended 30 June 2018 ("1Q2019") increased by 13.9% to S\$29.36 million as compared to S\$25.78 million in the previous corresponding quarter ended 30 June 2017 ("1Q2018"). Below is the breakdown of revenue:-

	1Q2019		1Q2018	
	S\$'million	As a percentage of total revenue	S\$'million	As a percentage of total revenue
Real estate development	10.18	34.7%	6.22	24.1%
Real estate services	4.97	16.9%	4.24	16.5%
Automotive & heavy equipment	7.51	25.6%	10.27	39.8%
Financial services	1.88	6.4%	1.68	6.5%
Consumer	4.49	15.3%	3.06	11.9%
Investments	0.33	1.1%	0.31	1.2%
Total	29.36	100.0%	25.78	100.0%

Revenue generated from the real estate development segment in 1Q2019 increased to S\$10.18 million as compared to S\$6.22 million in 1Q2018. In 1Q2019, revenue from this segment was generated mainly from sales of completed houses and land plots in Pun Hlaing Estate ("PHE"). In addition, the Group also recognised revenue from the sales of uncompleted development properties over the construction period, which are measured using input method. These development properties are located in PHE, StarCity Zone C and Yoma Central. In 1Q2018, revenue of S\$6.22 million comprised primarily of revenue earned from the share of profits of sales of residences in StarCity Zone C and the additional share of profits in StarCity Zone B following its completion, which contributed to the higher gross profit margin in 1Q2018.

Real estate services revenue in 1Q2019 increased to S\$4.97 million as compared to S\$4.24 million in 1Q2018. Revenue from this segment comprised mainly leasing revenue from the Group's investment properties in Myanmar and estate management fee income generated from PHE and StarCity. The increase in revenue was mainly due to the increase in leasing revenue generated from the Group's two Dulwich international schools and office building, The Campus.

Revenue from the Group's automotive & heavy equipment segment decreased by 26.9% to S\$7.51 million in 1Q2019 as compared to S\$10.27 million in 1Q2018. Revenue in this segment was mainly contributed by Convenience Prosperity Company Limited ("Convenience Prosperity") which is in the trading business of New Holland tractors and JCB construction equipment. In 1Q2019, New Holland and JCB recorded a lower revenue of S\$6.64 million as compared to revenue of S\$9.69 million in 1Q2018. The decrease was mainly due to the delay in buyers taking delivery of the second 500-tractor order secured under the Ministry of Agriculture and Irrigation's nationwide mechanisation programme.

Financial services revenue was generated by Yoma Fleet which is in the vehicle leasing and rental business. Revenue in 1Q2019 stood slightly higher at S\$1.88 million of revenue as compared to S\$1.68 million in 1Q2018. With the increase in the number of finance leases where only interest income is recognised, a lower increase in revenue was recorded despite a higher number of vehicles leased out.

The Group also recorded higher revenue of S\$4.49 million from its KFC stores in 1Q2019 as compared to S\$3.06 million in 1Q2018. The increase was due to a higher number of stores in 1Q2019 as well as same store sales growth for stores open at least 12 months in June 2018. As at 30 June 2018, the Group had 24 KFC stores throughout Myanmar.

Revenue from the investments segment refers to leasing income generated from the Group's investment property in Dalian, China. The leasing income revenue remained stable at S\$0.33 million in 1Q2019 as compared to S\$0.31 million in 1Q2018.

Gross profit margin decreased from 40.6% in 1Q2018 to 35.1% in 1Q2019. As mentioned above, in 1Q2018, real estate development revenue comprised mainly share of profits in StarCity Zone C and Zone B with minimal costs.

Net other income decreased from S\$8.94 million in 1Q2018 to S\$5.77 million in 1Q2019. This decrease was mainly caused by the currency translation losses of S\$1.27 million in 1Q2019 as compared to a currency translation gains of S\$0.21 million in 1Q2018. Included in the net other income in 1Q2019 was the fair value gain on the Group's investment in edotco Investments classified as financial assets at fair value through profit or loss of S\$5.57 million while included in 1Q2018 was mainly the fair value gain on investment properties of S\$7.44 million.

Included in finance expenses, net were the following items:-

	The Group	
	S\$'000	
	Quarter ended	
	30.06.2018	30.06.2017
Interest expenses on borrowings ^(a)	4,946	3,042
Finance fees	636	260
Currency translation losses/(gains) on borrowings, net ^(b)	10,055	(1,413)
	15,637	1,889

- (a) Interest expenses on borrowings increased by S\$1.90 million in 1Q2019 due to higher borrowings as well as the rising interest rate environment. Total borrowings as at 30 June 2018 was S\$307.19 million as compared to S\$195.52 million as at 30 June 2017.
- (b) The currency translation losses on borrowings of S\$10.06 million recognised in 1Q2019 was a result of the strengthening of USD, in which the majority of the borrowings are denominated, against the functional currencies (i.e. Chinese Yuan and SGD) of the borrowing entities during 1Q2019. For example, USD as at 30 June 2018 strengthened by approximately 4.2% against SGD as compared to 31 March 2018.

Administrative expenses stood at S\$16.99 million in 1Q2019 as compared to S\$12.35 million in 1Q2018. Administrative expenses were mainly made up of staff costs, rental of premises and land lease expenses and the depreciation of property, plant and equipment. The increase was mainly due to the increase in the number of KFC stores and New Holland, JCB branches as well as the administrative expenses for the Yoma Central project, which increased by S\$2.25 million as compared to 1Q2018.

Share of losses of joint ventures and associated companies amounted to S\$3.19 million in 1Q2019 as compared to S\$0.40 million in 1Q2018. The increase in the share of losses was primarily attributed by the losses incurred by Memories Group Limited, and Access Myanmar Distribution Co., Ltd.

As a result, the Group recorded total net loss attributable to equity holders of the Company of S\$15.90 million in 1Q2019 versus total net profit of S\$2.82 million in 1Q2018.

BALANCE SHEET

Net assets attributable to equity holders increased slightly to S\$721.49 million as at 30 June 2018 as compared to S\$714.70 million as at 31 March 2018. The slight increase was due to the recognition of perpetual bonds for an amount of US\$15.00 million (equivalent to S\$20.04 million) as equity and the decrease in retained earnings as a result of the loss of S\$15.90 million recorded in 1Q2019.

In 1Q2019, the Company entered into a perpetual bond agreement with an investor for an amount of US\$15.00 million (equivalent to S\$20.04 million). Pursuant to the agreement, the Company has full discretion on whether to pay distributions or make a principal repayment under the terms of the agreement. Accordingly, the Company is considered to have no contractual obligations to repay the principal or to pay any distributions and hence the perpetual bond does not meet the definition for classification as a financial liability under FRS 32 Financial Instruments: Disclosure and Presentation. The whole instrument is presented within equity, and distributions are treated as dividends.

The carrying value of investment in associated companies increased to S\$121.44 million as at 30 June 2018 as compared to S\$101.87 million as at 31 March 2018. The increase was mainly due to additional cost of investment in Peninsula Yangon Holdings Pte Limited ("PYHPL") by way of capitalisation of costs previously incurred.

The value of investment properties stood at S\$264.00 million as at 30 June 2018. There were no changes to the Group's investment properties portfolio as compared to 31 March 2018. The Group has Star Residence at StarCity Zone A, Dulwich International School projects in StarCity and PHE, The Residence at Pun Hlaing, Golf Apartments at PHE, certain office space in The Campus and the retail mall in Dalian under its investment properties portfolio.

Intangible assets, net of accumulated amortisation, was S\$26.28 million as at 30 June 2018 as compared to S\$26.62 million as at 31 March 2018 and comprised:-

- (a) operating rights in respect of the Pun Hlaing Golf Course and Country Club and the estate operations at PHE;
- (b) operating rights in respect of the agriculture activities at Maw Tin Estate; and
- (c) an intangible asset in respect of the distributor agreement for the marketing and sale of New Holland tractors within Myanmar.

The LDRs of S\$218.49 million as at 30 June 2018 mainly comprised S\$94.37 million at StarCity and S\$124.12 million at PHE and FMI City. As at 30 June 2018, the Group held economic interests in 70% of the LDRs of approximately 4.63 million square feet in PHE, 100% of the LDRs of approximately 0.56 million square feet (including the Lakeview project) in PHE, 52.5% of the LDRs of approximately 0.17 million square feet in FMI City and 70% of the LDRs in StarCity.

Property, plant and equipment, increased to S\$71.60 million as at 30 June 2018 from S\$68.21 million as at 31 March 2018. Property, plant and equipment comprised mainly certain office spaces in The Campus which are retained for the Group's own use, vehicles under Yoma Fleet and capital expenditure incurred as part the expansion of the KFC and New Holland/JCB businesses.

Development properties increased to S\$393.59 million as at 30 June 2018 as compared to S\$356.56 million as at 31 March 2018. The increase was mainly due to the capitalisation of construction costs for the development of the Group's existing projects, offset by the recognition of costs relating to sold residential units in profit or loss. Development properties as at 30 June 2018 comprised mainly the cost of land rights and construction costs of the Group's Yoma Central project of S\$245.44 million and StarCity Zone C of S\$116.08 million.

Trade and other receivables (current and non-current portions) stood at S\$88.33 million as at 30 June 2018 as compared to S\$103.10 million as at 31 March 2018. The decrease was mainly due to the transfer of capitalised costs recorded in other receivables to cost of investment in PYHPL as explained in above paragraph.

Trade and other payables (current and non-current portions) decreased to S\$143.54 million as at 30 June 2018 as compared to S\$161.17 million as at 31 March 2018. Trade and other payables comprised mainly of current trade payables for construction works and purchases of tractors, accruals for uncertified and unbilled construction costs and progress billings and advance receipts from customers.

Total borrowings increased to S\$307.19 million as at 30 June 2018 as compared to S\$243.47 million as at 31 March 2018. The increase in borrowings was due mainly due to loans of S\$46.18 million (or US\$33.75 million) drawn down by the Yoma Central project under the dedicated non-recourse facility from IFC/ADB and other B loan lenders which was put in place to finance the project, as well as the effect of the strengthening of United State Dollars.

CASHFLOW STATEMENT

Cash and bank balances stood at S\$42.97 million as at 30 June 2018 as compared to S\$23.28 million as at 30 June 2017. Included in the cash and bank balances as at 30 June 2018 were bank balances amounting to S\$17.11 million (30 June 2017: S\$11.17 million) which were restricted for use in debt service reserve accounts in relation to certain loans. During 1Q2019, the Group incurred operating cash outflows of S\$17.83 million, which was mainly due to the payment of construction cost for the Yoma Central project of S\$15.78 million. The payment of such costs was primarily funded by financing cashflows through loans obtained for the project.

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

The current announced results are in line with the general prospect commentary as disclosed to shareholders in the previous results announcements.

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.

Yoma Land

In June 2018, the Group unveiled the new branding of Yoma Land and marketing efforts are on-going to promote its new branding as a developer which focuses on building communities. This is in line with the Group's intention to expand its residential offerings to cater to a larger proportion of Myanmar's population.

The Group is starting to see some stabilisation in the Yangon property market, with encouraging signs from the launch of The Peninsula Residences Yangon in March of this year. An initial 30 residences have been made available and the Group has sold seven units in 1Q2019 with another three units in July, where the revenue will be recognized progressively with the construction of Yoma Central, which is expected to be completed in FY2021. Meanwhile, StarCity's Galaxy Towers Two and Four are on track to be completed in the coming year and the residual revenue recognition from the sold units will be complemented by the full revenue recognition from additional sales.

Yoma Motors

The revenue from the progressive sales of the remaining 420 of 500 New Holland tractors from the 2nd sales organised by the Agriculture Mechanisation Department ("AMD"), coupled with better access to financing such as longer-term loans, are expected to continue to fuel the growth of the New Holland business. The Group has also started to see some traction with its JCB construction equipment business, and it should continue to see further growth supported by an expected upturn in the infrastructure build-out in Myanmar, as well as a recovery in the property construction and mining industries.

Further expansion of the Group's passenger and commercial vehicle business will take place in the coming months with the opening of the Volkswagen showrooms in Yangon and Mandalay. Mitsubishi Motors is also opening a new dealership in Taunggyi, bringing the total number of dealerships to four. With the opening of more dealerships nationwide, the Group aims to further grow its passenger and commercial vehicle business.

Yoma F&B

In 1Q2019, the Group opened two KFC stores in Yangon. The new openings bring the total number of KFC stores nationwide to 24 as at 30 June 2018. The Group aims to continue this growth trajectory with a target of a total of 32 KFC stores nationwide by March 2019. The Group is preparing the pre-opening of its first Little Sheep restaurant in Yangon which is expected to open by end of FY2019.

The Group will continue to develop a range of F&B restaurant concepts through organic growth and acquisitions of both international and local franchises. The Group will also explore strategic partnerships for expertise, capital and additional brands to grow its F&B platform.

Yoma Financial Services

Wave Money^[1] continues to build on its leading position in the Myanmar mobile financial sector with its nationwide network of more than 26,000 agents^[2]. In 1Q2019, revenue and transaction numbers grew strongly by over 42.0% and 47.9% quarter-on-quarter respectively. Yoma Fleet recorded a healthy growth in the current reporting quarter, and the Group expects leasing activities to pick up over the rest of the financial year with an organic expansion of the existing leasing and rental activities as well as new initiatives. The Group will continue to explore other partnerships to rapidly expand Yoma Fleet's market presence.

Financial Management

As the Group's reporting currency is in SGD, the Group continues to be exposed to currency fluctuations in its financial reports as a significant proportion of its external payables and the majority of its borrowings are in USD. The USD borrowings are primarily used to fund the expansion of the Group's businesses where economic value is tied to USD, which Management considers appropriate.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

NIL

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Yes

Name of declared dividend: Interim

Dividend type: Cash

Dividend amount per share (in cents): 0.25 per ordinary share

Tax rate: One-tier tax exempt

^[1] Digital Money Myanmar Ltd.

^[2] Wave Money internal data

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8.

15. A breakdown of sales.

Not applicable.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

17. Interested Person Transactions

The details of interested person transactions for the three-month period ended 30 June 2018 are set out below.

Name of Interested Person	Aggregate value of all interested person transactions during FY2019 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions during FY2019 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) ⁽¹⁾
	S\$'000	S\$'000
Associates of Mr. Serge Pun:-		
(a) Purchases	-	22
(b) Sales	2,431	446
(c) Treasury transactions	-	5,426
(d) Financial arrangement	-	5,847
(e) Prepayments for projects	-	310

(1) Shareholders' mandate was renewed and approved at the Annual General Meeting held on 26 July 2017. Accordingly, the aggregate value of all interested person transactions is presented for the three-month period ended 30 June 2018.

18. Negative assurance on Interim Financial Statements

We, Serge Pun and Melvyn Pun, being the Directors of the Company, do hereby confirm for and on behalf of the Board of Directors that, to the best of our knowledge, nothing has come to our attention which may render the financial results for the first quarter ended 30 June 2018 to be false or misleading in any material aspect.

19. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

Serge Pun
Executive Chairman

Melvyn Pun
Chief Executive Officer

24 July 2018