

## Yoma Strategic 3Q2015 net profit to shareholders increased by 50%

### Rights issue oversubscribed and successfully closed

- Real Estate revenue was driven by a 44% growth from the sales of residences
- ‘Balloons Over Bagan’ tourism business recorded a strong 68% jump to S\$3.4 million and the Group’s telecommunication business made its maiden contribution
- Expect non-real estate segment to continue to contribute to next quarter revenue
- 1 for 3 rights issue oversubscribed by nearly 50%

FINANCIAL HIGHLIGHTS						
In S\$ million except otherwise stated	3Q2015	3Q2014	Change	9M2015	9M2014	Change
Revenue	25.0	30.2	-17.2%	83.5	72.4	15.3%
Gross Profit	12.2	13.4	-8.9%	32.6	31.4	3.6%
Net Profit	8.0	7.5	7.1%	27.4	15.3	79.1%
Net profit attrib. to equity holders	7.8	5.2	49.8%	19.9	9.5	110.3%

**Singapore, 9 February 2015** – Yoma Strategic Holdings Ltd. ( “ 祐玛战略控股有限公司 ” , “ Yoma Strategic ” or collectively with its subsidiaries, the “ Group ” ) announced that its net profit attributable to shareholders for its third quarter ended 31 December 2014 (“3Q2015”) rose by 49.8% to S\$7.8 million contributing to a 110.3% jump to S\$19.9 million for the nine months ended 31 Dec 2014 (“9M2015”).

#### Results Highlights

The Group’s 3Q2015 net profits attributable to shareholders rose by 49.8% year-on-year to S\$7.8 million, despite a 17.2% year-on-year decline in revenue to S\$25.0 million. This decline in revenue was mainly due to the lower revenue recognition from Star City in comparison to revenue from the third quarter ended 31 December 2013 (“3Q2014”) which was buoyed by the sale of Star City Zone B land development rights (“LDRs”). The shortfall in revenue was partially offset by stronger sales recorded in Pun Hlaing Golf Estate (“PHGE”), rental income from PHGE and Star City, as well as higher contributions from its non-real estate businesses.

The Real Estate division continued to be the largest revenue driver contributing S\$20.8 million or 83.1% of the Group’s 3Q2015 revenue. Sales of residences increased 43.7% year-on year to S\$15.7 million largely driven by renewed buying interest in PHGE as a result of the launch of new residential projects. The Group’s strategy to build

a portfolio of rental properties is on track as rental income rose from S\$0.3 million in 3Q2014 to S\$1.5 million in 3Q2015, accounting for approximately 7% of the total revenue in the Real Estate division.

Rental demand remained healthy driven by the growing number of corporate housing requirement. As at 31 December 2014, all of the Group's 16-unit apartment block in PHGE and 66 out of the 150 units in Building A5 of Star City Zone A have been leased out. The remaining 84 units in Building A5 are in the process of being furnished and are expected to be made available for leasing from March 2015.

Revenue from the Group's 'Balloons Over Bagan' tourism business, which runs from October to March every year, recorded a strong 67.8% year-on-year jump to S\$3.4 million on the back of the growing tourism market in Myanmar and contributed 13.8% of the Group's turnover in 3Q2015. Meanwhile, the Group's investment in the telecommunication tower business via a 25%-interest joint venture with Digicel Group Limited made its maiden contribution.

Commenting on the financial results, Andrew Rickards, CEO of Yoma Strategic said, *"Notwithstanding the increased competition from new home launches, we are encouraged by the solid sales performance delivered at PHGE and expect sales momentum on the prime residential estate to continue. Meanwhile, revenue from Star City is likely to improve in the next quarter as we recognise the fees for managing the construction of Star City Zone C."*

Mr. Rickards added, *"Positive momentum from our non-real estate segment is expected to continue in the next quarter driven by another robust peak season of our 'Balloons Over Bagan' tourism business, as well as, the completion of more telecommunication towers."*

Gross profit margin improved to 48.7% in 3Q2015 as compared to 44.3% in 3Q2014 due to higher revenue generated from sales of PHGE LDRs and residences, where the margins are higher.

### **Star City update**

The Group recognised S\$8.1 million from Buildings A3 and A4 in the 3Q2015 as compared to the S\$4.81 million recognised in 2Q2015. The balance of unrecognised revenue of approximately S\$14.7 million is expected to be recognised within the next 6 months as construction progresses.



The Group will be launching Star City Zone C on 14 February 2015 as Star City Zone B is now at the tail-end of its sales cycle. As at 31 December 2015, the Group has sold 927 units and received booking deposits for an additional 46 units out of 1,043 units at Star City Zone B since its launch in April 2013.

### **Financial Position**

The net assets attributable to the equity holders of the Company increased to S\$488.3 million as at 31 December 2014 as compared to S\$371.5 million as at 31 March 2014. The Group's LDRs (current and non-current portions) decreased from S\$158.2 million as at 31 March 2014 to S\$144.3 million as at 31 December 2014 due to the sales of LDRs and residences.

The Group's net asset value per Share as at 31 December 2014 rose to 37.7 cents as compared to 32.1 cents as at 31 March 2014.

### **Yoma Strategic rights issue oversubscribed**

Yoma Strategic announced today that it had received subscriptions for 630.8 million shares under its 1 for 3 rights issue comprising applications for approximately 207.5 million shares over the 432.5 million rights shares available, representing an oversubscription of approximately 46%. In the allotment of excess rights shares, the Company, in compliance with its obligations under the Listing Manual, has given preference to Shareholders for the rounding of odd lots, and Substantial Shareholders and Directors ranked last in priority.

With each new rights share priced at S\$0.38, the rights issue has raised approximately S\$164.4 million. The net proceed of approximately S\$163.9 million will be used to purchase the Landmark Development site, additional LDRs in Pun Hlaing Golf Estate and the New Holland Tractor business. These acquisitions will strengthen Yoma Strategic's position as one of the largest developers in Myanmar and enhance the product offering of its automotive division.

The 432.5 million rights shares are expected to be issued on 9 February 2015 and listed and quoted on the Main Board of the SGX-ST with effect from 9.00 a.m. on 10 February 2015.

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Serge Pun, Yoma Strategic's Executive Chairman concluded, *"We wish to thank shareholders for their strong support in the rights issue, which demonstrates their endorsement and a vote of confidence in our growth and acquisition strategy. With our existing mix of businesses, including the additional businesses that we have acquired through the proceeds of this rights issue, we believe we are well placed to take continued advantage of the opportunities in Myanmar today."*

-End-

**About Yoma Strategic Holdings Ltd. ([www.yomastrategic.com](http://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, agriculture, automotive, luxury tourism and retail/F&B businesses in Myanmar. Yoma Strategic is taking a conglomerate approach to build a diversified portfolio of businesses in Myanmar, together with its partner, the SPA Group.

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