

UNAUDITED FINANCIAL STATEMENT FOR THE QUARTER ENDED 31 DECEMBER 2016

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 THIRD QUARTER ENDED 31 DECEMBER 2016

	The Group					
	S\$'000		%	S\$'000		%
	Quarter ended		Increase/ (Decrease)	Period ended		Increase/ (Decrease)
	31.12.2016	31.12.2015		31.12.2016	31.12.2015	
Revenue	27,696	23,752	16.6	70,313	66,314	6.0
Cost of sales	(15,838)	(15,601)	1.5	(41,368)	(38,970)	6.2
Gross profit	11,858	8,151	45.5	28,945	27,344	5.9
Other income, net	12,928	30,423	(57.5)	41,336	38,487	7.4
Expenses						
- Administrative	(11,793)	(11,276)	4.6	(37,427)	(32,210)	16.2
- Finance	(11,765)	(968)	1,115.4	(17,967)	(5,040)	256.5
Share of (losses)/profits of joint ventures	(89)	20	NM	(1,446)	(170)	750.6
Share of (losses)/profits of associated companies	(34)	1,904	NM	(1,404)	2,691	(152.2)
Profit before income tax	1,105	28,254	(96.1)	12,307	31,102	(61.3)
Income tax (credit)/expense	187	(889)	NM	(435)	(1,626)	(73.2)
Net profit	1,292	27,365	(95.3)	11,602	29,476	(60.6)
Other comprehensive income/(loss):						
Items that may be reclassified subsequently to profit or loss:						
- Currency translation gains/(losses) arising from consolidation and changes in fair value reserve	8,810	(10,554)	NM	(296)	(36,791)	(99.2)
- Share of other comprehensive income/(loss) of associated companies	-	6	NM	-	(471)	NM
- Reversal of share of other comprehensive income of associated companies	-	2,779	NM	-	2,779	NM
Other comprehensive income/(loss), net of tax	8,810	(7,769)	NM	(296)	(34,483)	(99.1)
Total comprehensive income/(loss) for the financial period	10,102	19,596	(48.4)	11,306	(5,007)	NM
Net profit attributable to:						
Equity holders of the Company	334	25,159	(98.7)	11,049	27,748	(60.2)
Non-controlling interests	958	2,206	(56.6)	553	1,728	(68.0)
	1,292	27,365	(95.3)	11,602	29,476	(60.6)

The Group						
S\$'000		%	S\$'000		%	
Quarter ended		Increase/ (Decrease)	Period ended		Increase/ (Decrease)	
31.12.2016	31.12.2015		31.12.2016	31.12.2015		
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company						
6,015	16,469	(63.5)	10,423	(2,948)	NM	
Non-controlling interests						
4,087	3,127	30.7	883	(2,059)	NM	
10,102	19,596	(48.4)	11,306	(5,007)	NM	

NM – Not meaningful

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		%	S\$'000		%	
Quarter ended		Increase/ (Decrease)	Period ended		Increase/ (Decrease)	
31.12.2016	31.12.2015		31.12.2016	31.12.2015		
Expenses/(Income)						
Amortisation of intangible assets						
431	431	-	1,292	1,292	-	
Depreciation of property, plant and equipment						
2,180	1,407	54.9	6,062	3,392	78.7	
Employee share option expense						
165	90	83.3	764	393	94.4	
Employee share award expense						
308	-	NM	663	-	NM	
Fair value gain on financial asset at fair value through profit or loss						
(3,434)	(27,704)	(87.6)	(28,509)	(27,178)	NM	
Gain on disposal of financial asset at fair value through profit or loss						
(3,434)	-	NM	(3,348)	-	NM	
Interest expense						
2,542	1,185	114.5	6,215	2,595	139.5	
Interest income						
(793)	(729)	8.8	(2,387)	(1,858)	28.5	
Share-based payment to CEO						
-	-	-	-	910	NM	
Currency translation losses/(gains) on borrowings, net						
8,800	(217)	NM	11,280	2,445	361.3	
(4,767)	(1,543)	208.9	(7,194)	(8,232)	(12.6)	

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)	
	31.12.2016	31.03.2016	31.12.2016	31.03.2016
ASSETS				
Current assets				
Cash and bank balances	40,570	13,439	33,102	3,292
Trade and other receivables	72,905	58,186	2,779	8,547
Inventories	25,241	13,946	-	-
Development properties	205,011	182,894	-	-
Other current assets	25,015	13,935	6,671	1,017
Financial asset at fair value through profit or loss	50,747	63,098	-	-
Land development rights	18,422	16,790	-	-
	437,911	362,288	42,552	12,856
Non-current assets				
Trade and other receivables	78,695	61,805	-	-
Other non-current assets	-	651	-	-
Available-for-sale financial assets	6,160	4,918	-	-
Investments in joint ventures	12,051	9,816	-	-
Investments in associated companies	29,389	28,523	-	-
Investments in subsidiary corporations	-	-	666,065	641,680
Call option to acquire land	-	13,161	-	-
Investment properties	194,644	192,933	-	-
Prepayments	7,339	6,319	-	-
Property, plant and equipment	45,616	34,273	258	406
Intangible assets	29,174	30,466	-	-
Land development rights	203,068	203,255	-	-
	606,136	586,120	666,323	642,086
Total assets	1,044,047	948,408	708,875	654,942
LIABILITIES				
Current liabilities				
Trade and other payables	104,821	82,008	9,189	8,786
Current income tax liabilities	1,432	2,871	-	152
Borrowings	61,951	58,614	52,177	33,611
Deferred income tax liabilities	1,250	1,634	-	-
	169,454	145,127	61,366	42,549
Non-current liabilities				
Borrowings	94,965	31,050	78,295	31,050
Shareholders' loans from non-controlling interests	50,365	35,826	-	-
	145,330	66,876	78,295	31,050
Total liabilities	314,784	212,003	139,661	73,599
NET ASSETS	729,263	736,405	569,214	581,343
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	591,313	590,013	591,313	590,013
Share option reserve	4,189	4,025	4,189	4,025
Share award reserve	663	-	663	-
Currency translation reserve	(27,767)	(27,968)	-	-
Fair value reserve	(175)	652	-	-
Retained profits/(accumulated losses)	94,506	102,698	(26,951)	(12,695)
	662,729	669,420	569,214	581,343
Non-controlling interests	66,534	66,985	-	-
Total equity	729,263	736,405	569,214	581,343

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

Amount repayable in one year or less, or on demand

As at 31.12.2016		As at 31.03.2016	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
9,774	52,177	22,261	36,353

Amount repayable after one year

As at 31.12.2016		As at 31.03.2016	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
94,965	-	31,050	-

The current borrowings as at 31 December 2016 was S\$61.95 million as compared to S\$58.61 million as at 31 March 2016. The decrease in the secured current borrowings from S\$22.26 million as at 31 March 2016 to S\$9.77 million as at 31 December 2016 was mainly due to the classification of the loan owing by the Group's wholly-owned subsidiary, Xun Xiang (Dalian) Enterprise Co Ltd ("Xun Xiang"), to non-current borrowings following an extension of the loan during the quarter ended 30 June 2016. The secured current borrowings of S\$9.77 million is secured by a development property in Myanmar.

Non-current borrowings increased from S\$31.05 million as at 31 March 2016 to S\$94.97 million as at 31 December 2016, mainly due to increase in the borrowings from Asian Development Bank ("ADB"). The non-current borrowings as at 31 December 2016 were made up of:-

- (a) a loan of S\$78.30 million (or US\$54.00 million) owing by the Company to ADB. US\$16.00 million of the loan is secured by shares in the Company's wholly-owned subsidiary corporation, YSH Finance Ltd (which holds the Group's 12.5% interest in edotco Investments Singapore Pte. Ltd. ("edotco Investments"), US\$13.00 million is secured by the assignment and/or mortgage of 100% interest in Yoma Fleet Limited and KOSPA Limited and US\$25.00 million is secured by the assignment and/or mortgage of 100% interest in Star City International School Company Limited; and
- (b) a loan of S\$16.67 million that was owing by Xun Xiang as explained above. This loan is secured by an investment property (i.e. retail mall in Dalian, China) held by Xun Xiang.

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		Period ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Cash flows from operating activities:				
Net profit	1,292	27,365	11,602	29,476
Adjustments for:				
Income tax (credit)/expense	(187)	889	435	1,626
Depreciation of property, plant and equipment	2,180	1,407	6,062	3,392
Amortisation of intangible assets	431	431	1,292	1,292
Share-based payment to CEO	-	-	-	910
Write-off of property, plant and equipment	28	-	31	3
(Gain)/Loss on disposal of property, plant and equipment	(48)	4	(64)	5
Interest income	(793)	(729)	(2,387)	(1,858)
Interest expenses on borrowings	2,542	1,185	6,215	2,595
Employee share option expenses	165	90	764	393
Employee share award expenses	308	-	663	-
Share of losses/(profits) of joint ventures	89	(20)	1,446	170
Share of losses/(profits) of associated companies	34	(1,904)	1,404	(2,691)
Unrealised currency translation losses/(gains)	9,822	(4,167)	5,280	(21,228)
Operating cash flows before movements in working capital	15,863	24,551	32,743	14,085
Changes in working capital, net of effects from acquisition of subsidiary corporations:				
Trade and other receivables	(14,850)	5,046	(18,142)	(8,277)
Inventories and properties under development	(6,914)	1,172	(882)	10,979
Land development rights	(134)	390	(1,446)	377
Trade and other payables	(2,900)	(337)	28,914	5,609
Financial asset at fair value through profit or loss	38,240	(27,704)	12,352	(27,178)
Cash generated from/(used in) operations	29,305	3,118	53,539	(4,405)
Income tax paid	(702)	(321)	(1,486)	(586)
Interest received	140	380	733	1,154
Net cash provided by/(used in) operating activities	28,743	3,177	52,786	(3,837)

	The Group (S\$'000)			
	Quarter ended		Period ended	
	31.12.2016	31.12.2015	31.12.2016	31.12.2015
Cash flows from investing activities:				
Acquisition of subsidiary corporations, net of cash acquired	-	-	-	338
Additions to investment properties	(1,580)	(22)	(9,158)	(374)
Additions to property, plant and equipment	(4,972)	(7,147)	(18,058)	(21,172)
Additions to available-for-sale financial assets	-	-	(2,060)	-
Additions to investments in future projects	(915)	(14)	(2,586)	(1,450)
Additions to development properties intended for investing activities	(4,073)	(8,588)	(26,959)	(22,860)
Investments in joint ventures	(142)	(186)	(3,606)	(186)
Investments in associated companies	-	-	-	(8,195)
Proceeds from disposal of property, plant and equipment	434	9	707	42
Proceeds from dilution of interests in available-for-sale financial assets	-	-	344	-
Net cash used in investing activities	(11,248)	(15,948)	(61,376)	(53,857)
Cash flows from financing activities:				
Interest paid	(3,067)	(1,000)	(5,953)	(2,011)
Proceeds from issuance of shares under ESOS	-	-	699	827
Dividends paid	-	-	(4,342)	-
Shareholders' loans from non-controlling interests	-	1,774	154	8,485
Proceeds from borrowings	8,045	23,507	78,347	62,773
Repayment of borrowings	(3,743)	(7,076)	(16,419)	(7,076)
Loan to a non-related party	(8,235)	(5,779)	(16,792)	(8,119)
Interest received	196	477	766	538
Acquisition of non-controlling interests	-	-	(1,119)	(94)
Decrease/(increase) in bank deposits pledged	183	-	(2,225)	-
Net cash (used in)/provided by financing activities	(6,621)	11,903	33,116	55,323
Net increase/(decrease) in cash and cash equivalents	10,874	(868)	24,526	(2,371)
Cash and cash equivalents				
Beginning of financial period	25,893	18,031	13,439	20,025
Effects of currency translation on cash and cash equivalents	1,454	(347)	256	(838)
End of financial period	38,221	16,816	38,221	16,816

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

	The Group (S\$'000)	
	31.12.2016	31.12.2015
Cash and bank balances	40,570	16,816
Less: Bank deposits pledged	(2,349)	-
Cash and cash equivalents per consolidated statement of cash flow	38,221	16,816

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							Non-controlling Interest	Total
	Share Capital	Share Option Reserve	Share Award Reserve	Currency Translation Reserve	Fair Value Reserve	Retained Profits	Total		
At 1 April 2016	590,013	4,025	-	(27,968)	652	102,698	669,420	66,985	736,405
Issue of new shares under YSH ESOS 2012	1,300	(600)	-	-	-	-	700	-	700
Employee share option scheme	-	764	-	-	-	-	764	-	764
Employee share award scheme	-	-	663	-	-	-	663	-	663
Dividends paid	-	-	-	-	-	(4,342)	(4,342)	-	(4,342)
Effect of changes in shareholdings in subsidiary corporations without a change in control	-	-	-	-	-	(14,899)	(14,899)	(1,334)	(16,233)
Total comprehensive (loss)/income	-	-	-	201	(827)	11,049	10,423	883	11,306
At 31 December 2016	591,313	4,189	663	(27,767)	(175)	94,506	662,729	66,534	729,263
At 1 April 2015	587,583	5,060	-	4,080	-	65,100	661,823	70,368	732,191
Issue of new shares	910	-	-	-	-	-	910	-	910
Issue of new shares under YSH ESOS 2012	1,520	(693)	-	-	-	-	827	-	827
Employee share option scheme	-	393	-	-	-	-	393	-	393
Forfeiture of share option	-	(425)	-	-	-	425	-	-	-
Effect of changes in shareholdings in subsidiary corporations without a change in control	-	-	-	29	-	(415)	(386)	286	(100)
Total comprehensive (loss)/ income	-	-	-	(30,696)	-	27,748	(2,948)	(2,059)	(5,007)
At 31 December 2015	590,013	4,335	-	(26,587)	-	92,858	660,619	68,595	729,214

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	Accumulated Losses	Total
At 1 April 2016	590,013	4,025	-	(12,695)	581,343
Issue of new shares under YSH ESOS 2012	1,300	(600)	-	-	700
Employee share option scheme	-	764	-	-	764
Employee share award scheme	-	-	663	-	663
Dividends paid	-	-	-	(4,342)	(4,342)
Total comprehensive loss	-	-	-	(9,914)	(9,914)
At 31 December 2016	591,313	4,189	663	(26,951)	569,214
At 1 April 2015	587,583	5,060	-	(18,582)	574,061
Issue of new shares	910	-	-	-	910
Issue of new shares under YSH ESOS 2012	1,520	(693)	-	-	827
Employee share option scheme	-	393	-	-	393
Forfeiture of share option	-	(425)	-	425	-
Total comprehensive loss	-	-	-	(10,383)	(10,383)
At 31 December 2015	590,013	4,335	-	(28,540)	565,808

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.

During the nine-month period ended 31 December 2016, the Company allotted and issued 2,497,392 new ordinary shares pursuant to the exercise of options granted under the Employee Shares Option Scheme (YSH ESOS 2012). As a result, the total number of issued shares of the Company increased from 1,734,816,620 as at 31 March 2016 to 1,737,314,012 as at 31 December 2016 and the share capital increased to S\$591.31 million.

The outstanding share options granted as at 31 December 2016 were for a total of 17.16 million (31 December 2015: 19.75 million) ordinary shares.

The Yoma Performance Share Plan (the "Yoma PSP") was approved by the Company's shareholders at an extraordinary general meeting held on 27 July 2015. During the nine-month period ended 31 December 2016, the Company granted awards comprising a total of 7,855,409 ordinary shares to certain employees and Independent Non-Executive Directors of the Group pursuant to the Yoma PSP. The release of these ordinary shares is subject to the achievement of certain pre-determined performance conditions as determined by the Remuneration Committee or otherwise in accordance with the rules of the Yoma PSP.

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 31 December 2016 – 1,737,314,012

Total number of issued shares as at 31 March 2016 – 1,734,816,620

The Company had no treasury shares as at 31 December 2016 and 31 March 2016.

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 2016.

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 the current financial period, the Group and the Company adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2016:

- FRS 114 *Regulatory Deferral Accounts*
- Amendments to FRS 1 *Disclosure Initiative*
- Amendments to FRS 27 *Equity Method in Separate Financial Statements*
- Amendments to FRS 16 and FRS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to FRS 16 and FRS 41 *Agriculture: Bearer Plants*
- Amendments to FRS 111 *Accounting for Acquisitions of Interests in Joint Operations*
- Amendments to FRS 110, FRS 112 and FRS 28 *Investment Entities: Applying the Consolidation Exception*
- Improvements to FRSs (November 2014)
 - Amendments to FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*
 - Amendments to FRS 107 *Financial Instruments: Disclosures*
 - Amendment to FRS 19 *Employee Benefits*
 - Amendment to FRS 34 *Interim Financial Reporting*

The adoption of the above FRSs did not result in any substantial change to the Group and the Company's accounting policies nor any material impact on the financial statements of the Group.

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 31.12.2016	Quarter ended 31.12.2015	Period ended 31.12.2016	Period ended 31.12.2015
(a) Basic earnings per ordinary share				
Net profit attributable to equity holders of the Company (S\$'000)	334	25,159	11,049	27,748
Weighted average number of ordinary shares outstanding ('000)	1,737,314	1,734,817	1,736,385	1,732,224
Basic earnings per ordinary share (cents)	0.02	1.45	0.64	1.60

	The Group			
	Quarter ended 31.12.2016	Quarter ended 31.12.2015	Period ended 31.12.2016	Period ended 31.12.2015
(b) Diluted earnings per ordinary share				
Net profit attributable to equity holders of the Company (S\$'000)	334	25,159	11,049	27,748
Weighted average number of ordinary shares outstanding ('000)	1,750,522	1,738,888	1,749,421	1,736,156
Diluted earnings per ordinary share (cents)	0.02	1.45	0.63	1.60

As at 31 December 2016, there were share options for a total of 17.16 million (31 December 2015: 19.75 million) ordinary shares under the YSH ESOS 2012 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 as at 31 December 2016 and 31 December 2015 respectively and all performance share awards were issued as at 31 December 2016.

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	
	31.12.2016	31.03.2016	31.12.2016	31.03.2016
Net asset value per share (cents)	38.15	38.59	32.76	33.51

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 1,737,314,012 as at 31 December 2016 and 1,734,816,620 as at 31 March 2016.

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

The Group's total revenue for the reporting quarter ended 31 December 2016 ("3Q2017") increased 16.6% to S\$27.70 million as compared to S\$23.75 million in the previous corresponding quarter ended 31 December 2015 ("3Q2016"). Below is the breakdown of revenue:-

	3Q2017		3Q2016	
	S\$'million	As a percentage of total revenue	S\$'million	As a percentage of total revenue
Sale of residences and LDRs	6.09	22.0%	5.14	21.6%
Real estate rental and services	4.76	17.2%	4.84	20.4%
Automotive and equipment	10.16	36.7%	8.64	36.4%
Consumers	3.02	10.9%	1.43	6.0%
Tourism	3.67	13.2%	3.70	15.6%
Total	27.70	100.0%	23.75	100.0%

The revenue generated from the sale of residences and land development rights ("LDRs") increased slightly to S\$6.09 million in 3Q2017 as compared to S\$5.14 million in 3Q2016. In 3Q2017, the Group started to recognise revenue based on share of profits of sales in StarCity Zone C.

The real estate rental and services revenue decreased slightly from S\$4.84 million in 3Q2016 to S\$4.76 million in 3Q2017. Rental revenue was lower in 3Q2017 and one of the reasons was due to the reduction in the number of tenants in FMI Centre in anticipation of the development of the Group's Landmark Development project.

The revenue from the Group's automotive and equipment segment increased 17.6% to S\$10.16 million in 3Q2017 as compared to S\$8.64 million in 3Q2016. Revenue in this segment was mainly contributed by Convenience Prosperity Company Limited ("Convenience Prosperity") which is in the trading business of New Holland tractors. Revenue from Convenience Prosperity increased by 15.9% in 3Q2017 as compared to 3Q2016. Yoma Fleet which is in the business of vehicle leasing contributed S\$1.59 million of revenue in 3Q2017 as compared to S\$1.07 million in 3Q2016 mainly due to increase in number of vehicles leased-out.

The Group also recorded higher revenue of S\$3.02 million from its KFC stores in 3Q2017 as compared to S\$1.43 million in 3Q2016. The increase was due to a higher number of stores in 3Q2017. As at 31 December 2016, the Group had 10 KFC stores in operation.

Gross profit margin improved from 34.3% in 3Q2016 to 42.8% in 3Q2017. This improvement was driven by the share of profits of sales in StarCity Zone C as well as the higher revenue in the consumer segment in 3Q2017.

Included in other income, net were the following items:-

	The Group	
	S\$'000	
	Quarter ended	
	31.12.2016	31.12.2015
Fair value gain on held-for-trading financial assets ^(a)	3,434	27,704
Gain on disposal of held-for-trading financial assets ^(a)	3,434	-
Interest income	793	629
Currency translation gains, net	4,767	1,543
Others	500	547
	12,928	30,423

- (a) Held-for-trading financial assets refers to the Group's investment in edotco Investments. Fair value gain on held-for-trading financial assets reduced significantly from S\$27.70 million in 3Q2016 to S\$3.43 million in 3Q2017. The fair value gain in 3Q2016 was significantly higher as it represented the initial fair value of the 25% investment upon the reclassification from associated company to held-for-trading financial assets. Another reason for the decrease was due to the partial disposal of the investment from 25% to 12.5% in 3Q2017. On 19 December 2016, the Group completed its disposal of 12.5% interest in edotco Investments to edotco Investments (Labuan) Limited for a consideration of US\$35 million. Accordingly, the Group recognised gain on disposal of S\$3.43 million, which is the difference between the consideration of US\$35 million and the fair value of the investments as at 30 September 2016. Following the completion of this disposal, the Group has retained a 12.5% interest in edotco Investments and the put price of this 12.5% interest under the revised shareholders agreement is based on the consideration of US\$35 million.
- (b) Interest income of S\$0.79 million (3Q2016: S\$0.63 million) was derived mainly from customers of Convenience Prosperity that are under installment payment schemes for the purchase of tractors as well as interest income from the interest charged for a loan to a non-related party.
- (c) The strengthening of United States Dollar ("USD") against Kyats in 3Q2017 had resulted in the Group recognizing S\$4.77 million of currency translation gain from its receivables that were denominated in USD. However, at the same time, the Group had also recognised currency translation losses of S\$8.80 million on its borrowings as explained below.

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

	The Group	
	S\$'000	
	Quarter ended	
	31.12.2016	31.12.2015
Interest expense on borrowings ^(a)	2,542	1,185
Finance costs	423	-
Currency translation losses on borrowings, net ^(b)	8,800	(217)
	11,765	968

- (a) Interest expense on borrowings increased by S\$1.36 million during 3Q2017 due to the increase in borrowings. The total borrowings as at 31 December 2016 was S\$156.92 million as compared to S\$82.57 million as at 31 December 2015.

- (b) Currency translation losses on borrowings arose as a result of the strengthening of USD, in which majority of the borrowings are denominated, against the functional currencies (i.e. Chinese Yuan and Singapore dollars) of the borrowing entities in 3Q2017. For example, USD as at 31 December 2016 strengthened approximately 6% as compared to 30 September 2016.

The Group recorded share of losses of associated companies amounting to S\$0.034 million in 3Q2017 as compared to share of profits of S\$1.90 million in 3Q2016. The main reason for the share of losses in 3Q2017 was mainly due to the reduction of share of profit in Access Myanmar Distribution Co., Ltd, which is in the business of the production, branding, marketing and distribution of bottled water, alcoholic beverages and other FMCG products in Myanmar.

Administrative expenses stood at S\$11.79 million in 3Q2017 as compared to S\$11.28 million in 3Q2016. Administrative expenses were mainly made up of staff cost, rental and land lease and depreciation of property, plant and equipment.

As a result of the above, the Group recorded a lower net profit attributable to equity holders of the Company of S\$0.33 million in 3Q2017 as compared to S\$25.16 million in 3Q2016.

BALANCE SHEET

The net assets attributable to equity holders of the Company decreased slightly to S\$662.73 million as at 31 December 2016 as compared to S\$669.42 million as at 31 March 2016. Retained profits as at 31 December 2016 decreased to S\$94.51 million as compared to S\$102.70 million as at 31 March 2016, despite recording a net profit attributable to equity holders of the Company of S\$11.05 million for the nine-month period ended 31 December 2016. The decrease was mainly due to:-

- (a) dividend payment of S\$4.32 million in relation to financial year ended 31 March 2016 as approved by shareholders during the Company's annual general meeting in July 2016; and
- (b) debit adjustment of S\$14.89 million in relation to the effect of acquisition of non-controlling interests, as detailed in the paragraph below.

During 2Q2017, the Group's 70%-owned subsidiary, Chindwin Holdings Pte Ltd ("Chindwin Holdings"), purchased the remaining 25% interest in (a) Shwe Lay Ta Gun Travels and Tours Company Limited ("SLTG") which owns and operates the Balloon over Bagan ("BoB") Business in Myanmar; (b) Chindwin Bagan Company Limited ("Chindwin Bagan") which is to engage in the luxury tourism business in Bagan; and (c) Chindwin Pindaya Company Limited ("Chindwin Pindaya") which is to explore investment opportunities in Myanmar. The purchase consideration for this acquisition amounted to S\$16.36 million, which is the aggregate of US\$1,500,000 in cash, termination of the call option over a plot of land in Bagan to develop a hotel, reimbursement of all expenses incurred for the proposed development of the hotel in Bagan and the transfer of Chindwin Holdings' 75% interest in Eastern Safaris Pte Ltd ("Eastern Safaris"). As a result, the Group effectively holds 70% interest in SLTG, Chindwin Bagan and Chindwin Pindaya through Chindwin Holdings and recognised the effect of this acquisition amounting to S\$14.89 million as debit adjustment to equity attributable to equity holders of the Company in accordance with FRS 110 – "Consolidated Financial Statements" in relation to transaction with non-controlling interests that do not result in a loss of control.

Value of investment properties increased slightly to S\$194.64 million as at 31 December 2016 as compared to S\$192.93 million as at 31 March 2016 mainly due to capitalisation of construction costs incurred during the period ended 31 December 2016. The Group has Star Residences in StarCity Zone A, The Residence at Pun Hlaing Estate ("PHE"), construction-in-progress Dulwich international school projects in StarCity and PHE and the retail mall in Dalian under its investment properties portfolio.

Intangible assets, net of accumulated amortisation, was S\$29.17 million as at 31 December 2016 and comprised:-

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

The land development rights (“LDRs”) of S\$221.49 million as at 31 December 2016 were made up of LDRs in StarCity amounting to S\$94.37 million and LDRs in PHE and FMI City amounting to S\$127.12 million. As at 31 December 2016, the Group held economic interests in 70% of the LDRs of approximately 4.74 million square feet in PHE, 100% of the LDRs of approximately 0.56 million square feet (including the Lakeview project) in PHE and 52.5% of the LDRs of approximately 0.17 million square feet in FMI City.

Development properties increased to S\$205.01 million as at 31 December 2016 as compared to S\$182.89 million as at 31 March 2016, mainly due to the capitalisation of construction costs for existing projects offset by the recognition of costs relating to sold residential units in profit or loss.

Trade and other receivables (current and non-current portions) stood at S\$151.60 million as at 31 December 2016 as compared to S\$119.99 million as at 31 March 2016. The total amount of S\$151.60 million of trade and other receivables was made up mainly of:-

- (a) S\$21.62 million of unbilled trade receivables;
- (b) S\$40.52 million of non-current trade receivables;
- (c) S\$4.76 million of current trade receivables; and
- (d) S\$37.80 million of non-current interest-bearing loan to a non-related party.

As at 31 December 2016, trade and other payables increased to S\$104.82 million as compared to S\$82.01 million as at 31 March 2016. Included in trade and other payables were:-

- (a) current payables for construction works and purchase of tractors of S\$32.94 million;
- (b) accruals, which were mainly made up of uncertified and unbilled construction costs, of S\$27.15 million;
- (c) progress billings and advance receipts from customers of S\$20.58 million; and
- (d) payables to a non-related investor of S\$5.34 million, mainly for the re-purchase of 117 unsold units in StarCity.

The current borrowings as at 31 December 2016 was S\$61.95 million as compared to S\$58.61 million as at 31 March 2016. Included in current borrowings was an amount of S\$9.77 million that is secured by a development property in Myanmar.

Non-current borrowings increased from S\$31.05 million as at 31 March 2016 to S\$94.97 million as at 31 December 2016, mainly due to increase in the borrowings from ADB. The non-current borrowings as at 31 December 2016 were made up of:-

- (a) a loan of S\$78.30 million (or US\$54.00 million) owing by the Company to ADB. US\$16.00 million of the loan is secured by shares in the Company’s wholly-owned subsidiary corporation, YSH Finance Ltd (which holds the Group’s 12.5% interest in edotco Investments Singapore Pte. Ltd. (“edotco Investments”), US\$13.00 million is secured by the assignment and/or mortgage of 100% interest in Yoma Fleet Limited and KOSPA Limited and US\$25.00 million is secured by the assignment and/or mortgage of 100% interest in Star City International School Company Limited; and
- (b) a loan of S\$16.67 million that was owing by Xun Xiang. This loan is secured by an investment property (i.e. retail mall in Dalian, China) held by Xun Xiang.

CASHFLOW STATEMENT

Cash and bank balances stood at S\$40.57 million as at 31 December 2016 as compared to S\$16.82 million as at 31 December 2015 due to cash from operating activities of S\$28.74 million, which is generated mainly from the sale proceed of the partial disposal of edotco Investments.

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

There is no material variance between the information previously disclosed in the results announcements for the quarter ended 30 September 2016 and the actual results for the quarter ended 31 December 2016.

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.

Myanmar's economic growth is projected to recover from the slowdown in 2016 and the World Bank recently projected an annual average growth rate of 7.1% over the next three years¹. The Myanmar government continues its efforts to improve transparency and reduce red tape, and the imminent passing of the new Companies Act is expected to have a positive impact on business activities and foreign direct investments. The Myanmar Investment Commission ("MIC") approved US\$3.5 billion of international investments between April and December 2016, while another US\$2.5 billion was approved in January 2017 alone².

Plans to improve Yangon's infrastructure are also underway, with a new bus system commencing operations last month. In addition, half of the US\$824 million loan recently granted by Japan has been earmarked to upgrade the Yangon-Mandalay Railway and Yangon Region Water Supply system³. These efforts to improve the city's infrastructure will naturally bode well for the Yangon property market.

While the real estate market remains slow, the Group is seeing healthier demand for lower price point apartments. In response to this shift in demand, the Group has reconfigured some of its 3-bedroom units in Galaxy Towers at StarCity into studio and 1-bedroom units. Meanwhile, registration has commenced for Dulwich College Yangon at both the Pun Hlaing Estate and StarCity campuses and the opening of the two schools in August this year is expected to drive buying and leasing interests in the Group's properties.

The Group's Landmark Development project has achieved another milestone with the approval by MIC and its listing as a Permanent Investment in January 2017. Preliminary demolition and construction works have commenced, and a formal groundbreaking ceremony is scheduled for 16 February 2017.

The Group's Automotive & Equipment business is expected to continue its strong growth. The Ministry of Agriculture and Irrigation is intensifying its efforts to facilitate farming mechanization. Following the feedback from a nationwide survey of farmers, the Ministry's Agriculture Mechanisation Department chose to facilitate the purchase of 600 New Holland tractors from the Group which will be delivered in the coming months. The successful implementation of this program may further accelerate the Group's tractor sales in the coming year. Meanwhile, the Group's JCB heavy equipment business started operations in January and is expected to further drive the division's revenue, whilst the Yoma Fleet leasing business is also seeing healthy demand.

¹ <http://www.worldbank.org/en/news/press-release/2017/01/30/myanmar-growth-projected-to-recover-following-a-slowng-economy-in-2016.print>

² <http://www.mmmtimes.com/index.php/business/24734-approved-investment-passes-us-6bn.html>

³ <http://www.mmmtimes.com/index.php/national-news/yangon/24664-myanmar-to-get-824-million-loan-from-japan.html>

The Group's KFC business is on track towards its target of opening 12 stores by March 2017. The Group is planning to expand its KFC footprint outside of Yangon in the coming months and intends to build up to an additional 10 stores by March 2018. The Group continues to explore opportunities in other consumer related businesses, particularly in relation to the delivery of food and beverage products.

The Group's plan to spin off its tourism assets into an independent platform remains on track pending regulatory approvals.

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?

Nil

(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.

PART II- ADDITION INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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 nine-month period ended 31 December 2016 are set out below.

Name of Interested Person	Aggregate value of all interested person transactions during FY2017 (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 FY2017 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) *
	S\$'000	S\$'000
Associates of Mr. Serge Pun:-		
(a) Purchases	-	1,092
(b) Sales	-	1,202
(c) Treasury transactions	-	617
(d) Financial arrangement	3,513	5,469
(e) Land development rights transactions	-	109
(f) Prepayments for projects	-	-

* Shareholders' mandate was renewed and approved at the Annual General Meeting held on 26 July 2016. Accordingly, the aggregate value of all interested person transactions is presented for the nine-month period ended 31 December 2016.

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 third quarter ended 31 December 2016 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

10 February 2017