

**UNAUDITED FINANCIAL STATEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2017**

**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 2017**

	The Group		
	S\$'000		%
	Quarter ended		Increase/ (Decrease)
	30.06.2017	30.06.2016	
Revenue	25,781	17,564	46.8
Cost of sales	(15,314)	(10,750)	42.5
Gross profit	10,467	6,814	53.6
Other income, net	8,947	11,843	(24.5)
Expenses			
-Administrative	(13,089)	(12,557)	4.2
-Finance	(1,889)	(2,207)	(14.4)
Share of losses of joint ventures	(384)	(469)	(18.1)
Share of losses of associated companies	(20)	(595)	(96.6)
Profit before income tax	4,032	2,829	42.5
Income tax expense	(152)	(569)	(73.3)
<b>Net profit</b>	<b>3,880</b>	<b>2,260</b>	<b>71.7</b>
<b>Other comprehensive (loss)/income:</b>			
Items that may be reclassified subsequently to profit or loss:			
- Currency translation (losses)/gains arising from consolidation	(1,779)	5,697	NM
- Fair value change of available-for-sale financial assets	6	5	20.0
Other comprehensive (loss)/income, net of tax	(1,773)	5,702	NM
Total comprehensive income for the financial period	2,107	7,962	(73.5)
<b>Net profit attributable to:</b>			
Equity holders of the Company	2,817	1,829	54.0
Non-controlling interests	1,063	431	146.6
	<b>3,880</b>	<b>2,260</b>	<b>71.7</b>
<b>Total comprehensive income/(loss) attributable to:</b>			
Equity holders of the Company	2,932	6,866	(57.3)
Non-controlling interests	(825)	1,096	NM
	<b>2,107</b>	<b>7,962</b>	<b>(73.5)</b>

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:**

**Expenses/(income)**

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

The Group			
S\$'000		%	
Quarter ended		Increase/ (Decrease)	
30.06.2017	30.06.2016		
431	431	-	
2,381	1,873	27.1	
123	434	(71.7)	
349	89	292.1	
-	10,246	NM	
(7,438)	-	NM	
3,040	1,678	81.2	
(960)	(703)	36.6	
(1,413)	529	NM	
(209)	(608)	(65.6)	

**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)	
	30.06.2017	31.03.2017	30.06.2017	31.03.2017
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	23,281	34,825	12,623	12,466
Trade and other receivables	63,314	58,685	4,764	3,696
Inventories	37,201	33,159	-	-
Development properties	245,770	262,789	-	-
Other assets	24,009	24,690	3,681	3,852
Financial asset at fair value through profit or loss	49,440	49,843	-	-
Land development rights	7,906	7,832	-	-
	450,921	471,823	21,068	20,014
<b>Non-current assets</b>				
Trade and other receivables	84,225	79,995	-	-
Other assets	732	688	-	-
Available-for-sale financial assets	6,035	6,084	-	-
Investments in joint ventures	11,565	11,854	-	-
Investments in associated companies	28,686	29,267	-	-
Investments in subsidiary corporations	-	-	726,649	685,890
Call option to acquire land	-	-	-	-
Investment properties	245,758	219,314	-	-
Prepayments	6,993	6,865	-	-
Property, plant and equipment	65,082	50,970	139	218
Intangible assets	28,313	28,743	-	-
Land development rights	211,411	211,432	-	-
	688,800	645,212	726,788	686,108
<b>Total assets</b>	1,139,721	1,117,035	747,856	706,122
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	126,248	147,699	6,211	7,853
Current income tax liabilities	4,301	5,039	155	156
Borrowings	88,500	40,841	70,416	31,263
Deferred income tax liabilities	1,018	1,077	-	-
	220,067	194,656	76,782	39,272
<b>Non-current liabilities</b>				
Borrowings	107,024	125,085	93,159	109,013
Shareholders' loans from non-controlling interests	58,203	54,498	-	-
	165,227	179,583	93,159	109,013
<b>Total liabilities</b>	385,294	374,239	169,941	148,285
<b>NET ASSETS</b>	754,427	742,796	577,915	557,837
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	591,504	591,504	591,504	591,504
Share option reserve	4,389	4,266	4,389	4,266
Share award reserve	1,341	992	1,341	992
Currency translation reserve	(51,075)	(51,184)	-	-
Fair value reserve	(722)	(728)	-	-
Retained profits/(accumulated losses)	122,145	119,328	(19,319)	(38,925)
	667,582	664,178	577,915	557,837
Non-controlling interests	86,845	78,618	-	-
<b>Total equity</b>	754,427	742,796	577,915	557,837

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

**Amount repayable in one year or less, or on demand**

As at 30.06.2017		As at 31.03.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
25,863	62,637	9,579	31,262

**Amount repayable after one year**

As at 30.06.2017		As at 31.03.2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
107,024	-	125,085	-

Total borrowings increased from S\$165.93 million as at 31 March 2017 to S\$195.52 million as at 30 June 2017. Included in total borrowings as at 30 June 2017 were:-

- (a) a loan of S\$74.86 million (or US\$54.00 million) owing by the Company to the Asian Development Bank ("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")) and an assignment of the put in relation to edotco Investments (the "edotco Investments Assignment"), US\$13.00 million is secured by the assignment and/or mortgage of its interests in Yoma Fleet Limited ("Yoma Fleet") and KOSPA Limited and US\$25.00 million is secured by the assignment and/or mortgage of its interest in Star City International School Company Limited;
- (b) a loan of S\$33.27 million (or US\$24.00 million) owing by the Company which is also secured by the edotco Investments Assignment;
- (c) a loan of S\$15.25 million (or US\$11.00 million) that was owing by Xun Xiang (Dalian) Enterprise Co Ltd ("Xun Xiang"). This loan is secured by an investment property (i.e. retail mall in Dalian, China) held by Xun Xiang; and
- (d) a loan of S\$9.50 million (or Kyats9.3 billion) is secured by a development property and certain land development rights in Myanmar.

**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	
	30.06.2017	30.06.2016
<b>Cash flows from operating activities:</b>		
Net profit	3,880	2,260
Adjustments for :		
Income tax expense	152	569
Depreciation of property, plant and equipment	2,381	1,873
Amortisation of intangible assets	431	431
Write-off of property, plant and equipment	411	1
Gain on disposal of property, plant and equipment	(93)	(34)
Fair value gain on investment properties	(7,438)	-
Interest income	(960)	(703)
Interest expenses on borrowings	3,040	1,678
Employee share option expenses	123	434
Employee share award expenses	349	89
Share of losses of joint ventures	384	469
Share of losses of associated companies	20	595
Unrealised currency translation (gains)/losses	(2,965)	2,017
Operating cash flows before changes in working capital	(285)	9,679
Changes in working capital:-		
Trade and other receivables	(10,110)	(4,472)
Inventories and properties under development	1,254	(3,122)
Land development rights	(53)	(1,298)
Trade and other payables	(353)	10,282
Financial asset at fair value through profit or loss	403	(10,246)
Cash (used in)/ generated from operations	(9,144)	823
Interest received	157	271
Income tax (paid)/refunded	(788)	5
<b>Net cash (used in)/provided by operating activities</b>	<b>(9,775)</b>	<b>1,099</b>

**Cash flows from investing activities:**

Additions to investment properties	(6,194)	(1,729)
Additions to property, plant and equipment	(4,086)	(3,284)
Additions to available-for-sale financial assets	-	(1,359)
Additions to investment in future projects	(2,711)	(609)
Additions to development properties intended for investing activities	(18,574)	(4,874)
Capital contributions from non-controlling interest	13,986	-
Investments in joint ventures	(163)	(3,234)
Proceeds from disposal of property, plant and equipment	326	110
Proceeds from dilution of interest in available-for-sale financial assets	-	340

**Net cash used in investing activities**

**Cash flows from financing activities:**

Interest paid	(3,602)	(1,918)
Proceeds from issuance of ordinary shares pursuant to exercise of share options	-	280
Proceeds from borrowings	24,431	42,274
Repayment of borrowings	(695)	(24,635)
Shareholders' loans to associated company	(1,099)	-
Loan to a non-related party	(3,411)	(3,197)
Interest received	272	276
Increase in bank deposits restricted for use	-	(1,116)

**Net cash provided by financing activities**

**Net decrease in cash and cash equivalents**

**Cash and cash equivalents**

Beginning of financial period	25,056	13,439
Effect of currency translation on cash and cash equivalents	(171)	123
End of financial period	13,590	11,986

The Group	
S\$'000	
Quarter ended	
30.06.2017	30.06.2016
(6,194)	(1,729)
(4,086)	(3,284)
-	(1,359)
(2,711)	(609)
(18,574)	(4,874)
13,986	-
(163)	(3,234)
326	110
-	340
<b>(17,416)</b>	<b>(14,639)</b>
(3,602)	(1,918)
-	280
24,431	42,274
(695)	(24,635)
(1,099)	-
(3,411)	(3,197)
272	276
-	(1,116)
<b>15,896</b>	<b>11,964</b>
<b>(11,295)</b>	<b>(1,576)</b>
25,056	13,439
(171)	123
<b>13,590</b>	<b>11,986</b>

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

Cash and bank balances	23,281	13,102
Less: Bank deposits restricted for use	(9,691)	(1,116)
Cash and cash equivalents per consolidated statement of cash flow	13,590	11,986

The Group	
S\$'000	
Quarter ended	
30.06.2017	30.06.2016
23,281	13,102
(9,691)	(1,116)
<b>13,590</b>	<b>11,986</b>

**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 Interests	Total
	Share Capital	Share Option Reserve	Share Award Reserve	Currency Translation Reserve	Fair Value Reserve	Retained Profits	Total		
At 1 April 2017	591,504	4,266	992	(51,184)	(728)	119,328	664,178	78,618	742,796
Employee share option scheme	-	123	-	-	-	-	123	-	123
Employee share award scheme	-	-	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	(51,075)	(722)	122,145	667,582	86,845	754,427
At 1 April 2016	590,013	4,025	-	(27,968)	652	102,698	669,420	66,985	736,405
Issue of ordinary shares pursuant to exercise of share options	538	(258)	-	-	-	-	280	-	280
Employee share option scheme	-	434	-	-	-	-	434	-	434
Employee share award scheme	-	-	89	-	-	-	89	-	89
Total comprehensive income	-	-	-	5,032	5	1,829	6,866	1,096	7,962
At 30 June 2016	590,551	4,201	89	(22,936)	657	104,527	677,089	68,081	745,170

**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 2017	591,504	4,266	992	(38,925)	557,837
Employee share option scheme	-	123	-	-	123
Employee share award scheme	-	-	349	-	349
Total comprehensive income	-	-	-	19,606	19,606
At 30 June 2017	591,504	4,389	1,341	(19,319)	577,915
At 1 April 2016	590,013	4,025	-	(12,695)	581,343
Issue of ordinary shares pursuant to exercise of share options	538	(258)	-	-	280
Employee share option expense	-	434	-	-	434
Employee share award expense	-	-	89	-	89
Total comprehensive loss	-	-	-	(5,751)	(5,751)
At 30 June 2016	590,551	4,201	89	(18,446)	576,395

**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.**

The Company did not allot and issue any ordinary shares during the quarter ended 30 June 2017.

The outstanding share options granted as at 30 June 2017 were for a total of 16.79 million (30 June 2016: 18.66 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 quarter ended 30 June 2017, the Company granted awards comprising a total of 4.19 million ordinary shares to certain employees 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. As at 30 June 2017, the total number of ordinary shares awarded under the Yoma PSP was 11.97 million (30 June 2016: 7.26 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 2017 – 1,737,688,360

Total number of issued shares as at 31 March 2017 – 1,737,688,360

The Company had no treasury shares as at 30 June 2017 and 31 March 2017.

**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 2017.

**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 2017:

- Amendments to FRS 7 - Disclosure Initiative
- Amendments to FRS 12 - Recognition of Deferred Tax Assets for Unrealised Losses
- Amendments to FRS 112 - Disclosure of Interests in Other Entities

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	
	30.06.2017	30.06.2016
<b>(a) Basic earnings per ordinary share</b>		
Net profit attributable to equity holders of the Company (S\$'000)	2,817	1,829
Weighted average number of ordinary shares outstanding ('000)	1,737,688	1,735,150
Basic earnings per ordinary share (cents)	0.16	0.11

	The Group	
	Quarter ended	
	30.06.2017	30.06.2016
<b>(b) Diluted earnings per ordinary share</b>		
Net profit attributable to equity holders of the Company (S\$'000)	2,817	1,829
Weighted average number of ordinary shares outstanding ('000)	1,755,052	1,747,916
Dilutive earnings ordinary per share (cents)	0.16	0.10

As at 30 June 2017, there were share options for a total of 16.79 million (30 June 2016: 18.66 million) ordinary shares under the YSH ESOS 2012 and performance share awards of 11.97 million (30 June 2016: 7.26 million) 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 2017 and 30 June 2016 respectively.

**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	
	30.06.2017	31.03.2017	30.06.2017	31.03.2017
Net asset value per share (cents)	38.42	38.22	33.26	32.10

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 1,737,688,360 as at 30 June 2017 and 31 March 2017 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

The Group's total revenue for the current reporting quarter ended 30 June 2017 ("1Q2018") increased by 46.8% to S\$25.78 million as compared to S\$17.56 million in the previous corresponding quarter ended 30 June 2016 ("1Q2017"). Below is the breakdown of revenue:-

	1Q2018		1Q2017	
	S\$'million	As a percentage of total revenue	S\$'million	As a percentage of total revenue
Sale of residences and LDRs	6.22	24.1%	3.05	17.4%
Real estate rental and services	4.56	17.7%	4.95	28.2%
Automotive and heavy equipment	11.94	46.3%	7.41	42.2%
Consumer	3.06	11.9%	2.15	12.2%
<b>Total</b>	<b>25.78</b>	<b>100.0%</b>	<b>17.56</b>	<b>100.0%</b>

Revenue generated from the sale of residences and land development rights ("LDRs") increased to S\$6.22 million in 1Q2018 as compared to S\$3.05 million in 1Q2017. In 1Q2018, the revenue from this segment 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.

Real estate rental and services revenue decreased slightly to S\$4.56 million in 1Q2018 from S\$4.95 million in 1Q2017. This decrease was mainly due to the reduction in the number of tenants in FMI Centre in anticipation of its demolition as part of the Group's Yoma Central project.

Revenue from the Group's automotive & heavy equipment segment increased by 61.3% to S\$11.94 million in 1Q2018 as compared to S\$7.41 million in 1Q2017. 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 1Q2018, Convenience Prosperity continued to sell and deliver the 600 tractor order secured under the Ministry of Agriculture and Irrigation's nationwide mechanisation programme and recorded revenue of S\$9.83 million in 1Q2018 as compared to S\$5.60 million in 1Q2017. Yoma Fleet which is in the vehicle leasing and rental business contributed S\$1.68 million of revenue in 1Q2018 as compared to S\$1.18 million in 1Q2017 mainly due to the increase in the number of vehicles leased-out.

The Group also recorded higher revenue of S\$3.06 million from its KFC stores in 1Q2018 as compared to S\$2.15 million in 1Q2017. The increase was due to a higher number of stores in 1Q2018. As at 30 June 2017, the Group had 13 KFC stores in operation with the 13<sup>th</sup> store opened on 30 June 2017 in Mandalay.

Gross profit margin improved from 38.8% in 1Q2017 to 40.6% in 1Q2018. This improvement was mainly due to the higher margin achieved in the revenue generated from the share of profits in StarCity Zone C and Zone B.

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

The Group		
S\$'000		
Quarter ended		
	30.06.2017	30.06.2016
Fair value gain on financial asset at fair value through profit or loss <sup>(a)</sup>	-	10,246
Fair value gain on investment properties <sup>(b)</sup>	7,438	-
Interest income <sup>(c)</sup>	960	703
Currency translation gains, net	209	608
Others	340	286
	<b>8,947</b>	<b>11,843</b>

- (a) 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. Following the completion of this disposal, the Group retains a 12.5% interest in edotco Investments and the put price of this remaining 12.5% interest under the revised shareholders' agreement is based on the consideration of US\$35 million. There was no change in fair value for this investment in 1Q2018.
- (b) In 1Q2018, the Group transferred a block of residential apartments known as the Golf Apartments and office space in the Yoma Office Park at Pun Hlaing Estate ("PHE") which are meant for leasing purposes, from development properties to investment properties. Accordingly, a third party valuation was performed for these properties and a fair value gain of S\$7.44 million was recognised in 1Q2018.
- (c) 1Q2018's interest income of S\$0.96 million (1Q2017: S\$0.70 million) was derived mainly from customers of Convenience Prosperity that are under installment payment schemes for the purchases of tractors as well as interest income from the interest charged on a loan to a non-related party.

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

The Group		
S\$'000		
Quarter ended		
	30.06.2017	30.06.2016
Interest expenses on borrowings <sup>(a)</sup>	3,042	1,664
Finance costs	260	14
Currency translation (gains)/losses on borrowings, net <sup>(b)</sup>	(1,413)	529
	<b>1,889</b>	<b>2,207</b>

- (a) Interest expenses on borrowings increased by S\$1.38 million in 1Q2018 due to the increase in total borrowings as well as the rising interest rate environment. Total borrowings as at 30 June 2017 was S\$195.52 million as compared to S\$108.34 million as at 30 June 2016.
- (b) Currency translation gains on borrowings recognised in 1Q2018 was a result of the weakening 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. For example, USD as at 30 June 2017 weakened by approximately 1.4% against SGD during 1Q2018.

The Group recorded a share of losses of joint ventures of S\$0.38 million in 1Q2018 as compared to S\$0.47 million in 1Q2017. The lower amount of the share of losses was mainly due to the improvement of results in BYMA Pte Ltd, which is in the construction business in Myanmar.

The Group recorded a lower share of losses in associated companies of S\$0.02 million in 1Q2018 as compared to a share of losses of S\$0.60 million in 1Q2017, mainly due to the improvement of results 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\$13.09 million in 1Q2018 as compared to S\$12.56 million in 1Q2017. Administrative expenses were mainly made up of staff costs, rental 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 Convenience Prosperity branches.

As a result, the Group recorded a net profit attributable to equity holders of the Company of S\$2.82 million in 1Q2018 as compared to a net profit of S\$1.83 million in 1Q2017.

## **BALANCE SHEET**

The net assets attributable to equity holders of the Company increased slightly to S\$667.58 million as at 30 June 2017 as compared to S\$664.18 million as at 31 March 2017 mainly due to net profit attributable to equity holders of S\$2.82 million recorded in 1Q2018.

Value of investment properties increased to S\$245.76 million as at 30 June 2017 as compared to S\$219.31 million as at 31 March 2017 due to the transfer of Golf Apartments and office space in the Yoma Office Park, which are meant for leasing purposes, from development properties and the capitalisation of construction costs incurred at the Dulwich international school projects during 1Q2018. The Group has Star Residence at StarCity Zone A, construction-in-progress Dulwich international school projects in StarCity and PHE, The Residence at Pun Hlaing, Golf Apartments, office space in the Yoma Office Park and the retail mall in Dalian under its investment properties portfolio.

Intangible assets, net of accumulated amortisation, was S\$28.31 million as at 30 June 2017 as compared to S\$28.74 million as at 31 March 2017 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;
- (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 tractors within Myanmar.

The LDRs of S\$219.32 million as at 30 June 2017 were mainly made up of S\$94.37 million at StarCity and S\$123.39 million at PHE and FMI City. As at 30 June 2017, 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.

Property, plant and equipment, increased to S\$65.08 million as at 30 June 2017 from S\$50.97 million as at 31 March 2017. The increase was mainly due to the transfer of office space in the Yoma Office Park, which are retained for the Group's own use, from development properties.

Development properties decreased to S\$245.77 million as at 30 June 2017 as compared to S\$262.79 million as at 31 March 2017. The decrease is mainly due to the transfer of costs relating to the Golf Apartments and office space in the Yoma Office Park to investment properties and property, plant and equipment and the recognition of costs relating to sold residential units in profit or loss offset by the capitalisation of construction costs for existing projects.

Development properties as at 30 June 2017 comprised mainly of the cost of land rights and construction costs of the Group's Yoma Central project.

Trade and other receivables (current and non-current portions) stood at S\$147.54 million as at 30 June 2017 as compared to S\$138.68 million as at 31 March 2017. The total amount of S\$147.54 million of trade and other receivables was made up mainly of:-

- (a) S\$30.26 million of unbilled trade receivables;
- (b) S\$34.98 million of non-current trade receivables;
- (c) S\$4.21 million of current trade receivables; and
- (d) S\$41.26 million of a non-current interest-bearing loan to a non-related party.

Trade and other payables decreased to S\$126.25 million as at 30 June 2017 as compared to S\$147.70 million as at 31 March 2017. Included in trade and other payables were:-

- (a) current payables for construction works and the purchase of tractors of S\$32.29 million;
- (b) accruals, which were mainly made up of uncertified and unbilled construction costs, of S\$22.46 million;
- (c) progress billings and advance receipts from customers of S\$13.17 million; and
- (d) a payable to a related party, Serge Pun & Associates (Myanmar) Limited ("SPA"), of S\$42.80 million for the balance payment of the consideration relating to the acquisition of the LDRs for the Yoma Central and the Peninsula Yangon projects as a result of the extension of the land leases and the issuance of the MIC permits, which is due in August 2017. The Company is in discussions with SPA on the manner and timing of this payment. Please refer to the circular to shareholders dated 22 December 2014.

Total borrowings increased from S\$165.93 million as at 31 March 2017 to S\$195.52 million as at 30 June 2017. Included in total borrowings as at 30 June 2017 were:-

- (e) a loan of S\$74.86 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) and the edotco Investments Assignment, US\$13.00 million is secured by the assignment and/or mortgage of its interests in Yoma Fleet Limited and KOSPA Limited and US\$25.00 million is secured by the assignment and/or mortgage of its interest in StarCity International School Company Limited;
- (f) a loan of S\$33.27 million (or US\$24.00 million) owing by the Company which is also secured by the edotco Investments Assignment; and
- (g) a loan of S\$15.25 million (or US\$11.00 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.
- (h) a loan of S\$9.50 million (or Kyats9.3 billion) is secured by a development property and certain land development rights in Myanmar.

## **CASHFLOW STATEMENT**

Cash and bank balances stood at S\$23.28 million as at 30 June 2017 as compared to S\$13.10 million as at 30 June 2016. Included in the cash and bank balances as at 30 June 2017 were bank balances amounting to S\$9.69 million which were restricted for use. During 1Q2018, the Group funded its operating activities and investing activities through a reduction in cash and bank balance from 31 March 2017 and cash provided by financing activities.

**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 31 March 2017 and the actual results for the quarter ended 30 June 2017.

**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.**

The Myanmar government has continued its efforts to reform and strengthen the investment environment, with the implementation of the new Financial Institution Law to strengthen the financial system. In June, the World Bank and the Myanmar government agreed to a two-year extension of the Country Partnership Framework with up to US\$1.2 billion<sup>1</sup> in financing, which would help to further spur infrastructure development. The Group is optimistic that these progressive economic reforms will help to drive economic development and investment in the country.

The Yangon property market continues to show mild signs of recovery and the Group is hopeful that the pick-up in economic development and urbanisation will bode well for the Yangon property market.

The Myanmar Investment Commission has recently reiterated that both agriculture and construction remain in the top prioritised sectors for the government and incentives will be provided to lift economic activities in those sectors. The Group's New Holland tractor business is expected to see healthy growth with the introduction of new products and better financing terms offered to farmers by local banks. The Group will continue to deliver the remaining 312 tractors to farmers in a sale that was organized by the government's Agriculture Mechanisation Department and is expected to record approximately S\$8 million of further revenue in the coming months.

The Group's JCB construction equipment business is also seeing healthy interest. Meanwhile, the construction of the Volkswagen showroom in Yangon is on track and is expected to commence operations in the third quarter of this financial year.

Consumer sentiment continues to be positive, as evident through the successful opening of the first KFC store in Mandalay in June 2017. The Group will work towards its target of up to 22 stores nationwide by March 2018. As the consumer market continues to record healthy growth, the Group intends to continue to explore opportunities in this space.

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

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<sup>1</sup> <http://www.mmtimes.com/index.php/business/26681-world-bank-has-committed-over-2b-in-myanmar-as-of-june.html>

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

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

**(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**

18 August 2017.

**(d) Books closure date**

10 August 2017.

**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 2017 are set out below.

Name of Interested Person	Aggregate value of all interested person transactions during FY2018 (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 FY2018 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	-	355
(b) Sales	-	415
(c) Treasury transactions	-	690
(d) Financial arrangement	1,193	4,470
(e) Land development rights transactions	-	-
(f) Prepayments for projects	-	128

\* 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 three-month period ended 30 June 2017.

## 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 2017 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

26 July 2017