
ADDITIONAL INFORMATION ON THE COMPANY'S FIRST QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2010

The Board of Directors of Yoma Strategic Holdings Ltd (the "Company") wishes to provide additional information in response to the queries received from the Singapore Exchange Limited ("SGX") on 20 August 2010 with respect to the Company's first quarter results for the period ended 30 June 2010.

Extraction from SGX email dated 20 August 2010:-

Query (a):-

Please explain the increase in other operating income, including providing the breakdown.

In the current quarter, the other operating income increased mainly due to write back of doubtful debts, write back of unclaimed dividends of more than six years and fee income received from interested person for provision of security. There was no such income in the previous corresponding quarter.

The breakdown of other operating income for the current quarter is as follows:-

	S\$'000
Doubtful debts written back	50
Unclaimed dividends written back	23
Fee income received for provision of security	25
Job credit received from government	10
Reimbursement of operator's cost under agreement with MAGT	56
Exchange gain	10
Others	36
	<u>210</u>

Query (b):-

Please explain the increase in finance cost, including providing the breakdown.

Finance cost of S\$205,000 for the current quarter comprised hire purchase interest and loan interest while the finance cost for previous corresponding quarter comprised only hire purchase interest of S\$16,000. The loan interest was paid for the RMB22million loan that was taken in August 2009 for the additional contribution to WSI.

The breakdown of the finance cost for the current quarter is as follows:-

	S\$'000
Hire purchase interest	13
Loan interest	192
	<u>205</u>

Query (c):-

Please elaborate on the reduction of construction projects in Myanmar.

In the current quarter, there was a reduction of construction projects, in terms of both number and value of projects, in Myanmar due to completion of major contracts in the new capital of Myanmar in the last financial year, which has also resulted in a lower value of construction projects in the current quarter when compared to the previous corresponding quarter.

Query (d):-

Please elaborate on the reasons for the lower margin in the construction segment.

The main reasons for the lower margin in the construction segment are delays in completion of projects resulting in cost overruns and competitive pricing.

Query (e):-

Please provide the amount due to better operating results and tax rebate which resulted in WSI's profitability in the current quarter. Please provide reasons for the better operating results and tax rebate.

WSI is a 27% associate company of the Group.

In the current quarter, WSI had operating results amounting to loss of HK\$8.2million (after expensing off loan interest of HK\$5.5million) and recognized tax rebate of HK\$10.6million. The net profit after tax of WSI for the current quarter is hence HK\$2.4million, of which the Company is entitled to recognize 27%.

In the previous corresponding quarter, WSI recognized an operating loss of HK\$10.6million (with no loan interest being expensed off) and there was no tax rebate.

The tax rebate has been granted by the local government for three years commencing financial year ended 31 December 2009; the current tax rebate income pertains to the first of the three years, being 70% of all taxes paid to the Dalian Development Area government in financial year ended 31 December 2009. The rebate policy for the two subsequent years will remain the same. This preferential policy is part of the government's effort to attract reputable foreign enterprises to invest, and is granted for a selected group of projects. Previously an abandoned property, Grand Central's qualification for this policy stems from it being considered as an important urban revitalization project.

Operating results were better in the current quarter due to completion of Grand Central in January 2010 resulting in higher occupancy rate as compared to previous corresponding quarter where Grand Central was partially completed.

By the order of the Board
Serge Pun
Chairman and CEO
23 August 2010