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**ADDITIONAL INFORMATION ON THE COMPANY'S SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

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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") with respect to the Company's second quarter results for the period ended 30 September 2010.

***Extraction from SGX email:-***

*Query (a):-*

*What contributed to the increase in cost of sales?*

With reference to Page 1 of the announcement for the current quarter's results ended 30 September 2010, the increase in revenue and cost of sales is as follows:-

	For the Quarter ended		%
	30 September 2010	30 September 2009	Increase / (Decrease)
	S\$'000	S\$'000	
Revenue	4,239	3,649	16.2
Cost of sales	(3,326)	(2,561)	29.9
Gross profit	913	1,088	(16.1)

As seen above, the increase in cost of sales of 29.9% is not in line with the increase in revenue of 16.2%, hence resulting in a decrease in gross profit of 16.1%. The reason for the disproportionate increase in revenue and cost of sales is due to lower revenue recorded in the construction segment as a result of competitive pricing. The cost components such as cost of materials, labour cost, depreciation etc., had not varied materially in the two periods. As stated in the announcement, the gross profit margin in the construction segment was low at 17.67% in the current quarter as compared to 25.58% in the previous corresponding quarter.

*Query (b):-*

*Why has trade and other payables increased significantly? Please provide breakdown.*

The breakdown of trade and other payables is as follows:-

	As at 30 September 2010 S\$'000	As at 31 March 2010 S\$'000
Trade payables	732	499
Sundry payables	3,608	2,400
Amount owing to related parties and associated company	292	59
	<u>4,632</u>	<u>2,958</u>

The increase in trade payables is mainly due to slower repayment period by Myanmar V-Pile Co Ltd and its subsidiaries (“MVP Group”). With lower pricing and hence lesser revenue as compared to FY 2010, MVP Group has stretched its payment terms to trade creditors.

The increase in sundry payables is mainly due to advance receipt for the disposal of MVP Group and First Myanmar Construction Co. Ltd (“FMC”). The Group had received US\$750,000 deposit from the purchaser and has booked it as advance receipt under sundry payable. It will be transferred to sale proceeds in the income statement upon completion of the disposal.

*Query (c):-*

*Please provide details of loans to WSI. When was this made?*

The details of the shareholders’ loan to WSI are as follows:-

	As at 30 September 2010 S\$'000
Date of loan	
December 2007	12,330
August 2009	4,340
	<u>16,670</u>

The shareholder loan of S\$12.3 million was advanced to WSI on the date of acquisition of WSI in December 2007. Please refer to Circular to Shareholders dated 4 December 2007.



The subsequent loan of S\$4.3million was advanced to WSI in August 2009 using the RMB22 million loan from Gifted Champion Limited. Please refer to announcement dated 12 August 2009.

As disclosed in the Company's Annual Report for the financial year ended 31 March 2010, the shareholders' loan is interest-free, unsecured and is repayable upon demand.

*Query (d):-*

*Provide the comparison of the quarter's results against the previous quarter's commentary.*

In Section 10 of the announcement for the previous quarter's results ended 30 June 2010, the Company commented on the following:-

- 1) The Group entered into a Strategic Cooperation Agreement with Dongfeng Automobile Co Ltd.
- 2) The Group has the intention to dispose its entire equity interest in MVP Group and FMC.
- 3) Sales of land development rights ("LDRs") in Myanmar have been deriving a higher per square foot price than in the past.
- 4) The operating results of the Grand Central property in Dalian has been within expectations.

There are no material variances to the items that were commented above. In the announcement for the current quarter ended 30 September 2010, the Company has commented that an Extraordinary General Meeting will be held to seek shareholders' approval for item (1) and (2) above. The Company has also commented that sales of LDRs in Myanmar and operating results of WSI have improved in this current quarter, which was in line with item (3) and (4) above.

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

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