



Yoma Strategic Holdings Ltd
(Company Registration No.: 196200185E)

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ("6M-Sept2021") AND
FULL FINANCIAL YEAR ENDED 30 SEPTEMBER 2021 ("12M-Sept2021")**

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(A) Condensed interim second half year and full year consolidated statement of profit or loss and other comprehensive income

		The Group			
		6-month period ended	6-month period ended	12-month period ended	12-month period ended
		30.09.2021	30.09.2020	30.09.2021	30.09.2020
Note		US\$'000	US\$'000	US\$'000	US\$'000
	Revenue	43,378	51,180	87,328	103,358
	Cost of sales	(28,653)	(34,626)	(58,188)	(70,300)
	Gross profit	14,725	16,554	29,140	33,058
	Other gains/(losses)	28,842	(16,463)	31,235	(11,619)
	Expenses				
	-Administrative	(22,136)	(24,420)	(46,410)	(55,124)
	-Finance	(10,577)	(12,929)	(25,444)	(21,599)
	Share of losses of joint ventures	(1,763)	(1,239)	(2,521)	(1,806)
	Share of (losses)/profits of associated companies	(819)	(6,705)	1,152	(5,476)
	Profit/(loss) before income tax	8,272	(45,202)	(12,848)	(62,566)
	Income tax expense	(2,315)	(2,751)	(2,832)	(3,172)
	Net profit/(loss)	5,957	(47,953)	(15,680)	(65,738)
	Other Comprehensive (loss)/income:				
	Item that may be reclassified subsequently to profit or loss:				
	- Currency translation (losses)/gains arising from consolidation	(70,104)	20,607	(83,323)	46,386
	-Reclassification of currency translation losses arising from deemed disposal of joint venture	-	(142)	-	(142)
	-Share of other comprehensive (loss)/income of joint ventures	(1,026)	199	(443)	579
	-Share of other comprehensive (loss)/income of associated companies	(4,836)	578	(5,987)	1,151
	Other comprehensive (loss)/income, net of tax	(75,966)	21,242	(89,753)	47,974
	Items that will not be reclassified subsequently to profit or loss:				
	-Currency translation (losses)/gains arising from consolidation	(17,100)	3,643	(22,015)	10,621
	Total comprehensive loss for the period/year	(87,109)	(23,068)	(127,448)	(7,143)

(A) Condensed second half year and full year consolidated statement of profit or loss and other comprehensive income (cont'd)

	The Group			
	6-month period ended 30.09.2021 US\$'000	6-month period ended 30.09.2020 US\$'000	12-month period ended 30.09.2021 US\$'000	12-month period ended 30.09.2020 US\$'000
Net profit/(loss) attributable to:				
Equity holders of the Company	216	(44,590)	(19,704)	(60,532)
Non-controlling interests	5,741	(3,363)	4,024	(5,206)
	5,957	(47,953)	(15,680)	(65,738)
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(75,749)	(23,348)	(109,456)	(12,558)
Non-controlling interests	(11,360)	280	(17,992)	5,415
	(87,109)	(23,068)	(127,448)	(7,143)
Loss per share attributable to equity holders of the Company (US cents per share)				
-Basic	(0.004)	(2.01)	(0.91)	(5.67)
-Diluted	*(0.004)	*(2.01)	*(0.91)	*(5.67)

As at 30 September 2021, there were share options of 13.59 million (30 September 2020: 14.49 million) ordinary shares under the YSH ESOS 2012 and performance share awards of 8.93 million (30 September 2020: 9.63 million) ordinary shares under the Yoma PSP 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 September 2021 and 30 September 2020 respectively.

Net (loss)/profit attributable to equity holders of the Company used for the computation of basic EPS has been adjusted for the distribution to the holders of perpetual securities, if any.

*As a loss was incurred, the dilutive potential shares under the YSH ESOS 2012 and Yoma PSP were anti-dilutive and no change has been made to the diluted loss per share.

(B) Condensed interim full year consolidated statements of financial position

	Note	The Group		The Company	
		30.09.2021 US\$'000	30.09.2020 US\$'000	30.09.2021 US\$'000	30.09.2020 US\$'000
ASSETS					
Current assets					
Cash and bank balances		27,180	46,418	697	11,788
Trade and other receivables		109,220	114,474	15,277	10,827
Inventories		12,539	19,298	-	-
Development properties		320,133	304,761	-	-
Other assets		50,611	65,376	1,261	1,621
Land development rights		821	1,161	-	-
		520,504	551,488	17,235	24,236
Assets of disposal group classified as held-for-sale		32,795	32,665	-	-
		553,299	584,153	17,235	24,236
Non-current assets					
Trade and other receivables		13,571	16,546	-	-
Other assets		1,071	3,838	-	-
Financial assets at fair value through profit or loss		10,283	12,231	-	-
Investments in joint ventures		7,436	10,600	-	-
Investments in associated companies		91,038	82,954	-	-
Investments in subsidiary corporations		-	-	740,590	720,014
Investment properties	14	228,910	273,379	-	-
Property, plant and equipment	13	159,687	182,434	1,862	3,773
Intangible assets	12	20,658	25,985	-	-
Land development rights		143,448	149,789	-	-
Deferred income tax asset		-	208	-	-
		676,102	757,964	742,452	723,787
Total assets		1,229,401	1,342,117	759,687	748,023
LIABILITIES					
Current liabilities					
Trade and other payables		91,895	85,004	7,927	4,595
Current income tax liabilities		7,220	6,493	29	288
Lease liabilities		1,557	3,534	343	525
Borrowings	15	90,094	77,201	45,780	44,668
		190,766	172,232	54,079	50,076
Liabilities directly associated with disposal group classified as held-for-sale		513	442	-	-
		191,279	172,674	54,079	50,076

(B) Condensed interim full year consolidated statements of financial position (cont'd)

	Note	The Group		The Company	
		30.09.2021	30.09.2020	30.09.2021	30.09.2020
		US\$'000	US\$'000	US\$'000	US\$'000
Non-current liabilities					
Trade and other payables		1,918	1,884	-	-
Borrowings	15	262,957	274,612	151,106	130,568
Put options to non-controlling interests		35,107	33,026	35,107	33,026
Financial liabilities at fair value through profit or loss		1,015	1,510	1,015	1,510
Shareholders' loans from non-controlling interests		10,824	14,303	-	-
Lease liabilities		43,545	48,710	1,402	3,083
Deferred income tax liabilities		1,353	1,464	-	-
		356,719	375,509	188,630	168,187
Total Liabilities		547,998	548,183	242,709	218,263
NET ASSETS		681,403	793,934	516,978	529,760
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	16	624,890	624,890	624,890	624,890
Perpetual securities		30,000	30,000	30,000	30,000
Share option reserve		3,226	3,480	3,226	3,480
Share award reserve		130	20	130	20
Currency translation reserve		(105,888)	(16,136)	-	-
Put options reserve		(35,107)	(33,026)	(35,107)	(33,026)
Accumulated losses		(29,999)	(9,919)	(106,161)	(95,604)
		487,252	599,309	516,978	529,760
Non-controlling interests		194,151	194,625	-	-
Total equity		681,403	793,934	516,978	529,760

(C) Condensed interim full year statement of changes in equity

US\$'000										
The Group	Attributable to equity holders of the Company									Total Equity
	Share Capital	Perpetual Securities	Share Option Reserve	Share Award Reserve	Currency Translation Reserve	Put Options Reserve	Retained Profits/ (Accumulated losses)	Total	Non-controlling Interests	
At 1 October 2020	624,890	30,000	3,480	20	(16,136)	(33,026)	(9,919)	599,309	194,625	793,934
Issuance of shares pursuant to performance share awards	-	-	-	120	-	-	-	120	-	120
Forfeiture of share options and share awards	-	-	(254)	(10)	-	-	254	(10)	-	(10)
Additional capital contributions from non-controlling interests	-	-	-	-	-	-	-	-	17,496	17,496
Accretion of imputed interest – put options to non-controlling interests	-	-	-	-	-	(2,081)	-	(2,081)	-	(2,081)
Dividends declared to non-controlling interests	-	-	-	-	-	-	-	-	(8)	(8)
Effect of changes in shareholding in subsidiary corporation	-	-	-	-	-	-	(30)	(30)	30	-
Perpetual securities distribution for financial year	-	-	-	-	-	-	(600)	(600)	-	(600)
Total comprehensive income loss	-	-	-	-	(89,752)	-	(19,704)	(109,456)	(17,992)	(127,448)
At 30 September 2021	624,890	30,000	3,226	130	(105,888)	(35,107)	(29,999)	487,252	194,151	681,403

C) Condensed interim full year statements of changes in equity (cont'd)

US\$'000										
The Group	Attributable to equity holders of the Company									Total Equity
	Share Capital	Perpetual Securities	Share Option Reserve	Share Award Reserve	Currency Translation Reserve	Put Options Reserve	Retained Profits/ (Accumulated losses)	Total	Non-controlling Interests	
At 1 October 2019	514,736	30,000	3,372	1,520	(64,093)	(31,069)	51,158	505,624	182,766	688,390
Issuance of share under private placement	108,573	-	-	-	-	-	-	108,573	-	108,573
Issuance of shares pursuant to performance share awards	1,581	-	-	(1,581)	-	-	-	-	-	-
Employee share options scheme – value of employee services	-	-	108	-	-	-	-	108	-	108
Employee share awards scheme – value of employee services	-	-	-	536	-	-	-	536	-	536
Forfeiture of share awards	-	-	-	(455)	-	-	455	-	-	-
Additional capital contributions from non-controlling interests	-	-	-	-	-	-	-	-	6,099	6,099
Acquisition of subsidiary corporations	-	-	-	-	-	-	-	-	364	364
Increase in share capital of subsidiary corporations without loss of control	-	-	-	-	-	-	(400)	(400)	-	(400)
Accretion of imputed interest – put options to non-controlling interests	-	-	-	-	-	(1,957)	-	(1,957)	-	(1,957)
Dividends declared to non-controlling interests	-	-	-	-	-	-	-	-	(19)	(19)
Perpetual securities distribution for financial year	-	-	-	-	-	-	(600)	(600)	-	(600)
Total comprehensive income/(loss)	-	-	-	-	47,957	-	(60,532)	(12,575)	5,415	(7,160)
At 30 September 2020	624,890	30,000	3,480	20	(16,136)	(33,026)	(9,919)	599,309	194,625	793,934

C) Condensed interim full year statements of changes in equity (cont'd)

US\$'000							
The Company	Share Capital	Perpetual Securities	Share Option Reserve	Share Award Reserve	Put options Reserve	Accumulated Losses	Total Equity
At 1 October 2020	624,890	30,000	3,480	20	(33,026)	(95,604)	529,760
Issuance of shares pursuant to performance share awards	-	-	-	120	-	-	120
Forfeiture of share awards	-	-	(254)	(10)	-	254	(10)
Accretion of imputed interest – put options to non-controlling interests	-	-	-	-	(2,081)	-	(2,081)
Perpetual securities distribution for financial year	-	-	-	-	-	(600)	(600)
Total comprehensive loss	-	-	-	-	-	(10,211)	(10,211)
At 30 September 2021	624,890	30,000	3,226	130	(35,107)	(106,161)	516,978
At 1 October 2019	514,736	30,000	3,372	1,520	(31,069)	(77,349)	441,210
Issuance of shares under private placement	108,573	-	-	-	-	-	108,573
Issuance of shares pursuant to performance share awards	1,581	-	-	(1,581)	-	-	-
Employee share options scheme – value of employee services	-	-	108	-	-	-	108
Employee share awards scheme – value of employee services	-	-	-	536	-	-	536
Forfeiture of share awards	-	-	-	(455)	-	455	-
Accretion of imputed interest – put options to non-controlling interests	-	-	-	-	(1,957)	-	(1,957)
Perpetual securities distribution for financial year	-	-	-	-	-	(600)	(600)
Total comprehensive loss	-	-	-	-	-	(18,110)	(18,110)
At 30 September 2020	624,890	30,000	3,480	20	(33,026)	(95,604)	529,760

(D) Condensed interim second half year and full year consolidated statement of cash flows

	The Group			
	6-month period ended		12-month period ended	
	30.09.2021 US\$'000	30.09.2020 US\$'000	30.09.2021 US\$'000	30.09.2020 US\$'000
Cash flows from operating activities:				
Net profit/(loss)	5,957	(47,953)	(15,680)	(65,738)
Adjustments for:				
- Income tax expense	2,315	2,751	2,832	3,172
- Depreciation of property, plant and equipment	7,464	8,313	16,268	16,948
- Amortisation of intangible assets	505	500	1,012	998
- Write-off of property, plant and equipment	4,971	381	5,156	928
- Net fair value (gains)/losses on investment properties	(41,405)	12,108	(41,405)	12,108
- Fair value gains on financial liabilities at fair value through profit or loss	(494)	(106)	(494)	(106)
- Dividend income from financial assets at fair value through profit or loss	-	(180)	-	(180)
- Fair value loss on assets of disposal group classified as held-for-sale	1,512	669	1,512	669
- Gain on disposal of property, plant and equipment	(147)	(140)	(191)	(226)
- Gain on divestment of associated companies	-	-	-	(53)
- Gain on remeasurement of previously held interest in joint venture as a result of change in control	-	(241)	-	(241)
- Impairment loss of prepayment - crop and supply agreement	1,958	4,310	1,958	4,310
- Impairment loss of agriculture operating rights	3,731	1,316	3,731	1,316
- Loss/(gains) from modification of lease contracts	4	-	(73)	-
- Loss from derecognition of lease contracts	27	-	27	-
- Interest income on loan to joint venture	(1,956)	(1,296)	(3,830)	(1,296)
- Interest income on bank deposits	(121)	(77)	(183)	(287)
- Interest income from trade receivables under instalments and contracts with significant financing component	(82)	(510)	(82)	(518)
- Interest expenses on borrowings	9,597	8,599	19,272	19,853
- Interest expenses on lease liabilities	1,939	1,727	3,980	3,949
- Interest expenses on deferred trade payables	-	215	-	215
- Amortised interest on non-current payables	18	37	34	37
- Impairment loss of goodwill	756	-	756	-
- Employee share option expenses	-	48	-	108
- Employee share award expenses	51	110	110	537
- Share of losses of joint ventures	1,763	1,239	2,521	1,806
- Share of losses/(profits) of associated companies	819	6,705	(1,152)	5,476
- Unrealised currency translation (gains)/losses	(12,550)	6,889	(8,694)	3,572
Operating cash flows before changes in working capital	(13,368)	5,414	(12,615)	7,357
Changes in working capital, net of effects from acquisition of subsidiary corporations:				
- Inventories	5,983	1,906	6,758	1,017
- Development properties	5,896	16,693	2,346	10,997
- Trade and other receivables	14,713	2,731	5,882	(14,555)
- Land development rights	1,288	(2,868)	(1,662)	(826)
- Trade and other payables	(13,620)	1,671	1,931	(8,218)
- Financial assets at fair value through profit or loss	2,379	(928)	1,948	51,613
Cash generated from operations	3,271	24,619	4,588	47,385
Interest received	203	1,452	265	1,671
Income tax paid	(154)	(71)	(659)	(625)
Net cash provided by operating activities	3,320	26,000	4,194	48,431

Yoma Strategic Holdings Ltd
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	The Group			
	6-month period ended		12-month period ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from investing activities:				
Additions to investment properties	(1,387)	(2,830)	(2,593)	(4,249)
Additions to property, plant and equipment	(232)	(19,691)	(17,873)	(26,385)
Additions to development properties intended for investing activities	(2,239)	(33,145)	(23,022)	(64,155)
Dividend income from financial assets at fair value through profit or loss	-	180	-	180
Investments in joint ventures	-	(2,930)	-	(3,443)
Investments in associated companies	-	(480)	-	(9,680)
Loan to a joint venture for renewable energy projects	-	(14,625)	-	(24,017)
Advance payment for additional investment in associated company	-	-	-	(7,800)
Prepayment for operating rights	-	(6)	-	(365)
Prepayment for property, plant and equipment	-	(3,091)	-	(5,181)
Proceeds from disposal of property, plant and equipment	1,791	2,658	3,015	6,266
Net cash used in investing activities	(2,067)	(73,960)	(40,473)	(138,829)
Cash flows from financing activities:				
Interest paid	(5,800)	(7,862)	(13,438)	(19,605)
Distribution to perpetual securities holder	(300)	(600)	(300)	(600)
Repayment of lease liabilities (including interest paid)	(994)	(2,679)	(4,265)	(6,105)
Proceeds from issuance of ordinary shares under placement	-	-	-	108,573
Equity loan from non-controlling interests	980	-	17,496	6,098
Shareholder loan from related party	876	-	876	-
Share issue expenses	-	-	-	(400)
Proceeds from borrowings	-	40,947	49,396	104,089
Repayment of borrowings	(15,251)	(11,532)	(28,639)	(110,618)
Loan from a non-related party for renewable energy projects	-	24,017	-	24,017
Decrease/(increase) in bank deposits restricted for use	12,826	(702)	11,427	2,744
Net cash provided by financing activities	(7,663)	41,589	32,553	108,193
Net (decrease)/increase in cash and cash equivalents	(6,410)	(6,371)	(3,726)	17,795
Cash and cash equivalents				
Beginning of financial period/year	36,453	40,639	34,712	15,835
Effect of currency translation on cash and cash equivalents	(3,104)	444	(4,047)	1,082
End of financial period/year	26,939	34,712	26,939	34,712

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

	The Group			
	6-months period ended		12-months period ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	US\$'000	US\$'000	US\$'000	US\$'000
Cash and bank balances per statements of financial position	27,180	46,418	27,180	46,418
Add: Cash and bank balances included in assets of disposal group classified as held-for-sale	166	300	166	300
Less: Bank deposits restricted for use	(220)	(11,646)	(220)	(11,646)
Less: Bank overdraft	(187)	(360)	(187)	(360)
Cash and cash equivalents per consolidated statement of cash flows	26,939	(34,712)	26,939	34,712

(E) Selected notes to the condensed interim consolidated financial statements

1. Corporate information

Yoma Strategic Holdings Ltd (the “Company”) is incorporated and domiciled in Singapore with limited liability. It is listed on the Main Board of the Singapore Exchange Securities Trading Limited on 24 August 2006. These condensed interim consolidated financial statements as at and for the full year ended 30 September 2021 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activity of the Company is investment holding. The principal activities of its subsidiary corporations are real estate development, real estate investment and leasing, property management services, automotive and heavy equipment distribution, non-bank financial services, logistics and food and beverage activities.

2. Basis of preparation

The condensed interim financial statements for the six month and financial year ended 30 September 2021 have been prepared in accordance with the SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore and to read in conjunction with the Group’s audited financial statements as at and for the period ended 30 September 2020. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the period ended 30 September 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 3.

The condensed interim financial statements are presented in United State dollar (“US\$”), which is the functional currency of the Company and all financial information have been rounded to the nearest thousand (“US\$’000”), unless otherwise indicated.

3. New and amended standards adopted by the Group

A number of amendments to the SFRS(I) Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

4. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Although these estimates are based on management’s best knowledge or current events and actions, actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 September 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about estimates, assumptions and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

(a) Revenue for sale of development properties

The Group recognises revenue for the sale of development properties by reference to the stage of completion of the properties. The stage of completion is measured by reference to the contract costs incurred to date compared to the estimated total costs (including costs to complete) of the properties.

Significant assumptions are required to estimate the total contract costs and the recoverable variation works that affect the stage of completion and the contract revenue respectively. In making these estimates, management has relied on past experience and the work of specialists.

(b) Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. The fair values of investment properties are determined by independent real estate valuation experts using the properties' highest-and-best use approach which is generally the sales comparison approach (i.e. the basis of market value). In arriving at the valuation figure, the valuers have taken into consideration the prevailing market conditions and have made due adjustments for differences between the investment properties and comparables properties in terms of location, tenure, size, shape, design and layout, age and condition of the buildings, dates of transactions and other factors affecting their values. The most significant input into this valuation approach is selling prices. The estimates are based on local market conditions existing as at the reporting date.

Fair values of uncompleted investment properties with no available market information are determined by the independent real estate valuation experts using the depreciated replacement cost method, which involves estimating the current replacement cost of the buildings and from which deductions are made to allow for depreciation due to age, condition and functional obsolescence. The replacement cost is then added to the land value to derive the fair value. The land value is determined based on the direct comparison method with transactions of comparable plots of land within the vicinity and elsewhere. In arriving at the valuation figure, the valuation experts have taken into consideration the prevailing market conditions and have made due adjustments for differences between the investment properties and the comparables properties in terms of location, tenure, size, shape, design and layout, age and condition, dates of transactions and other factors affecting their values. The most significant inputs into this valuation approach are price per unit measurement, expected development costs and estimated developer profit margin.

(c) Estimation of net realisable value for development properties and land development rights

Development properties and land development rights are stated at the lower of cost and net realisable value. Net realisable value of completed properties and land development rights is assessed by reference to market prices of comparable completed properties and land development rights at the same or nearby locations at the reporting date less estimated direct selling expenses. Net realisable value of development properties under construction is assessed with reference to market prices as at the reporting date for similar completed properties less estimated costs to complete construction and direct selling expenses.

(d) Estimated impairment of non-financial assets

Goodwill and intangible assets with indefinite useful lives

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually and whenever there is an indication that the goodwill and intangible assets with indefinite useful lives may be impaired. In performing the impairment assessment of the carrying amount of goodwill and intangible assets with indefinite useful lives, the recoverable amounts of cash-generating units ("CGUs") in which the goodwill and intangible assets with indefinite useful lives have been attributable to, are determined using the higher of the value-in-use ("VIU") calculation and the fair value less cost to disposal. The assessment process involves significant management estimate and is based on assumptions that are affected by future market and economic conditions. It also involves the use of significant judgements such as the forecasted revenue and operating expenses, sales growth rates, gross profit margin and discount rates applied to the VIU calculation.

Other non-financial assets

Intangible assets with finite useful lives, property, plant and equipment, investments in subsidiary corporations, joint ventures and associated companies and other non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. In determining the recoverable value, an estimate of expected future cash flows from each asset or CGU and an appropriate discount rate is required to be made. An impairment exists when the carrying amount of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

(e) Critical judgement over the lease term

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that included extension and/or termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend and/or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the option. After the commencement date, the Group reassesses the lease term whenever there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend and/or terminate (e.g. construction of significant leasehold improvements or significant customisation to the leased asset). The Group included the extension option in the lease term for the leases of the certain restaurant premises because of the economic incentive to continue the leases.

(f) Provision of the expected credit loss (“ECL”) of trade receivables, finance lease receivables and contract assets

The Group uses a provision matrix to calculate the ECL for trade receivables, finance lease receivables and contract assets. The provision rates are based on the days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group’s historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and the ECL is a significant estimate. The amount of the ECL is sensitive to changes in circumstances and of forecast economic conditions and may also not be representative of customer’s actual default in the future.

(g) *Fair value estimation of financial assets and liabilities at fair value through profit or loss*

Investments in unquoted shares and private investment funds classified as financial assets at fair value through profit or loss are determined using valuation techniques, primarily earnings multiples, discounted cash flows, recent transaction prices and recent comparable transactions. The models used to determine fair values are validated and periodically reviewed by management. The inputs in the earnings multiples models include observable data, such as earnings multiples of comparable companies, and unobservable data, such as forecast earnings. In discounted cash flow models, unobservable inputs are the projected cash flows and the risk premium for liquidity and credit risk that are incorporated into the discount rate. However, the discount rates used for valuing equity securities are determined based on historical equity returns for other entities operating in the same industry for which market returns are observable. Management uses models to adjust the observed equity returns to reflect the actual debt/equity financing structure of the valued equity investments. Models are calibrated by back-testing to actual results to ensure that outputs are reliable.

Share warrant deeds entered into with non-related parties (the “deeds”) which grant the non-related parties the option to purchase shares of an entity to be established in the future are classified as financial liabilities at fair value through profit or loss. The fair values of the options are determined by an independent valuer using Monte Carlo simulations which rely on the backward induction methodology by discounting the expected value of the later nodes and comparing it with the exercise value of the current node. Key assumptions used in the valuation methodology include the expected time to exercise the option, price to book multiple, purchase consideration, dividend yield and risk-free rate.

(h) *Uncertain tax positions*

The Group is subject to income taxes in the jurisdictions of Singapore and Myanmar. In determining the income tax liabilities, management is required to estimate the amount of capital allowances and the deductibility of certain expenses (“uncertain tax positions”) at each tax jurisdiction.

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made. The Group has open tax assessments with a tax authority at the reporting date. As management believes that the tax positions are sustainable, the Group has not recognised any additional tax liability on these uncertain tax provisions.

5. Seasonal operations

The Group's businesses are not affected abnormally/significantly by seasonal or cyclical factors during the financial period ended 30 September 2021.

6. Operating segments

6.1 Business segments

Management has determined the operating segments based on reviews by the Key Management Team that are used to make strategic decisions. The Key Management Team comprises the Executive Chairman, the CEO, the CFO, the Group Financial Controller and the heads of each business unit within the operating segments that are involved in making strategic decisions.

The Key Management Team considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in three primary geographic areas: Singapore, Myanmar and the People's Republic of China ("PRC"). All of the Group's operating segments operate in Myanmar except for its investments segment which operates in both Myanmar and the PRC. The others segment relates to corporate services, treasury and finance functions and investment holdings in Singapore and Myanmar.

For management purposes, the Group is organised into business units based on their products and services and has seven reportable segments as follows:

- (i) Real estate development is in the business of property development and the sale of land development rights and development properties ("Yoma Land Development").
- (ii) Real estate services is in the business of property leasing in Myanmar as well as providing project management, design, estate management and golf estate operations ("Yoma Land Services"). This reportable segment has been formed by aggregating the relevant operating entities which are regarded by management to exhibit these and similar economic characteristics.
- (iii) The automotive & heavy equipment segment is in the business of supplying and selling agriculture and construction equipment, passenger and commercial vehicles and their related parts, including the provision of maintenance services ("Yoma Motors"). This reportable segment has been formed by aggregating the relevant operating entities which are regarded by management to exhibit these and similar economic characteristics.
- (iv) The food & beverages segment is in the business of operating restaurants, bottling and distributing beverages and developing food wholesale, transportation, distribution and logistics services ("Yoma F&B"). This reportable segment has been formed by aggregating the relevant operating entities which are regarded by management to exhibit these and similar economic characteristics.
- (v) The financial services segment is in the business of providing non-bank financing (i.e. leasing of motor vehicles and equipment under both operating and finance leases) and investing in mobile financial services ("Yoma Financial Services"). This reportable segment has been formed by aggregating the relevant operating entities which are regarded by management to exhibit these and similar economic characteristics.
- (vi) The investments segment relates to the Group's investments in the infrastructure, tourism, solar power, agriculture and other sectors in Myanmar and an investment property in the PRC.
- (vii) The other segment refers to the Group level corporate services and treasury functions.

Except as indicated above, no other operating segments have been aggregated to form the above reportable operating segments.

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	Myanmar					Myanmar/ PRC	Myanmar/ Singapore	Total US\$'000
	Yoma Land Development US\$'000	Yoma Land Services US\$'000	Yoma Motors US\$'000	Yoma Financial Services US\$'000	Yoma F&B US\$'000	Investments US\$'000	Others US\$'000	
6-month period ended 30.09.2021								
Revenue								
Total segment sales	15,612	8,500	6,359	3,457	9,398	915	-	44,241
Less: Inter-segment sales	-	(165)	(12)	(188)	(156)	(342)	-	(863)
Sales to external parties	15,612	8,335	6,347	3,269	9,242	573	-	43,378
Cost of sales	(12,858)	(2,498)	(5,195)	(1,742)	(6,203)	(157)	-	(28,653)
Gross profit	2,754	5,837	1,152	1,527	3,039	416	-	14,725
Other lossess or gains	(198)	39,164	(1,594)	(1,236)	(4,563)	(3,232)	501	28,842
Expenses:-								-
- Administrative	(4,586)	(1,170)	(2,070)	(703)	(10,558)	(1,100)	(1,949)	(22,136)
- Finance	(2,244)	(100)	(116)	(112)	(491)	(3,841)	(3,673)	(10,577)
Share of losses of joint ventures	-	-	(577)	-	(18)	(1,168)	-	(1,763)
Share of (losses)/profits of associated companies	(977)	-	-	383	(513)	288	-	(819)
(Loss)/profit before income tax	(5,251)	43,731	(3,205)	(141)	(13,104)	(8,637)	(5,121)	8,272
Income tax expense	(412)	(259)	(108)	(998)	(7)	-	(531)	(2,315)
Net (loss)/profit	(5,663)	43,472	(3,313)	(1,139)	(13,111)	(8,637)	(5,652)	5,957
Interest expense	2,194	100	85	85	460	810	7,818	11,552
Income tax expense	412	259	108	998	7	-	531	2,315
Depreciation and amortisation	813	402	859	1,575	3,499	635	186	7,969
Share of losses of joint ventures	-	-	577	-	18	1,168	-	1,763
Share of losses/(profits) of associated companies	977	-	-	(383)	513	(288)	-	819
Currency translation (gains)/losses, net	(3,993)	(48)	1,484	646	870	1,308	(5,077)	(4,810)
Yoma Central Project	868	-	-	-	-	-	-	868
Core Operating EBITDA	(4,392)	44,185	(200)	1,782	(7,744)	(5,004)	(2,194)	26,433

Net (loss)/profit include:

- Net fair value gains on investment properties	-	38,840	-	-	-	2,565	-	41,405
- Fair value losses on financial assets at fair value through profit or loss	-	-	-	-	-	(2,163)	-	(2,163)
- Fair value gain on financial liabilities at fair value through profit or loss	-	-	-	-	-	-	494	494
- Fair value losses on assets of disposal group classified as held-for-sale	-	-	-	-	-	(1,512)	-	(1,512)
- Impairment loss of goodwill	-	-	-	-	(756)	-	-	(756)
- Impairment loss of agriculture operating rights	-	-	-	-	-	(3,731)	-	(3,731)
- Impairment loss of prepayment - crop and supply agreement	-	-	-	-	-	(1,958)	-	(1,958)
- Impairment loss on financial assets at amortised cost, net	(3,459)	-	(104)	(661)	-	-	-	(4,224)
- Write-offs for stores closure	-	-	-	-	(4,857)	-	-	(4,857)
- Provision for winding up cost	-	-	-	-	(2,975)	-	-	(2,975)

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	Myanmar					Myanmar/ PRC	Myanmar/ Singapore	Total US\$'000
	Yoma Land Development US\$'000	Yoma Land Services US\$'000	Yoma Motors US\$'000	Yoma Financial Services US\$'000	Yoma F&B US\$'000	Investments US\$'000	Others US\$'000	
6-month period ended 30.09.2020								
Revenue								
Total segment sales	18,569	4,399	12,362	3,673	12,685	1,616	-	53,304
Less: Inter-segment sales	-	(694)	(94)	91	(175)	(1,252)	-	(2,124)
Sales to external parties	18,569	3,705	12,268	3,764	12,510	364	-	51,180
Cost of sales	(13,030)	(2,068)	(9,896)	(1,782)	(7,821)	(29)	-	(34,626)
Gross profit	5,539	1,637	2,372	1,982	4,689	335	-	16,554
Other losses or gains	(1,674)	(11,770)	828	425	1,056	(4,940)	(388)	(16,463)
Expenses:-								
- Administrative	(3,892)	(1,664)	(2,961)	(1,062)	(8,503)	(1,158)	(5,180)	(24,420)
- Finance	(2,342)	76	(124)	(224)	(758)	129	(9,686)	(12,929)
Share of (losses)/profits of joint ventures	-	(679)	496	-	(12)	(1,044)	-	(1,239)
Share of (losses)/profits of associated companies	(2)	-	-	1,868	(793)	(7,778)	-	(6,705)
(Loss)/profit before income tax	(2,371)	(12,400)	611	2,989	(4,321)	(14,456)	(15,254)	(45,202)
Income tax (expense)/credit	(634)	(545)	(1,095)	(180)	91	-	(388)	(2,751)
Net (loss)/profit	(3,005)	(12,945)	(484)	2,809	(4,230)	(14,456)	(15,642)	(47,953)
Interest expense	2,216	485	76	216	758	458	6,370	10,579
Income tax expense/(credit)	634	545	1,095	180	(91)	-	388	2,751
Depreciation and amortisation	260	730	899	1,587	4,956	211	169	8,812
Share of losses/(profits) of joint ventures	-	679	(496)	-	12	1,044	-	1,239
Share of losses/(profits) of associated companies	2	-	-	(1,868)	793	7,778	-	6,705
Currency translation losses/(gains), net	779	(1,097)	(646)	(300)	(776)	324	3,039	1,323
Yoma Central Project	668	-	-	-	-	-	-	668
Core Operating EBITDA	1,554	(11,603)	444	2,624	1,422	(4,641)	(5,676)	(15,876)

Net (loss)/profit include:

- Net fair value losses on investment properties	-	(12,108)	-	-	-	-	-	(12,108)
- Fair value gain on financial assets at fair value through profit or loss	-	-	-	-	-	830	-	830
- Fair value gain on financial liabilities at fair value through profit or loss	-	-	-	-	-	-	106	106
- Fair value loss on assets of disposal group classified as held-for-sale	-	-	-	-	-	(669)	-	(669)
- Gain on measurement of previously held interest in a joint venture as a result of change in control	-	-	-	-	241	-	-	241
- Deemed gain on dilution of investment in joint ventures	-	-	-	-	-	111	-	111
- Impairment loss of agriculture operating rights	-	-	-	-	-	(1,316)	-	(1,316)
- Impairment loss of prepayment - crop and supply agreement	-	-	-	-	-	(4,310)	-	(4,310)
- Impairment loss on financial assets at amortised cost, net	(576)	(62)	(58)	-	-	-	-	(696)

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	Myanmar					Myanmar/ PRC	Myanmar/ Singapore	Total US\$'000
	Yoma Land Development US\$'000	Yoma Land Services US\$'000	Yoma Motors US\$'000	Yoma Financial Services US\$'000	Yoma F&B US\$'000	Investments US\$'000	Others US\$'000	
12-month period ended 30.09.2021								
Revenue								
Total segment sales	32,513	12,867	14,882	7,275	20,136	2,127	-	89,800
Less: Inter-segment sales	-	(494)	(139)	(553)	(332)	(954)	-	(2,472)
Sales to external parties	32,513	12,373	14,743	6,722	19,804	1,173	-	87,328
Cost of sales	(24,535)	(4,592)	(12,117)	(3,424)	(13,200)	(320)	-	(58,188)
Gross profit	7,978	7,781	2,626	3,298	6,604	853	-	29,140
Other losses or gains	696	39,352	(1,994)	(1,665)	(5,188)	(730)	764	31,235
Expenses:-								-
- Administrative	(9,682)	(2,137)	(4,898)	(1,867)	(19,154)	(2,373)	(6,299)	(46,410)
- Finance	(4,518)	(209)	(237)	(361)	(1,081)	(5,543)	(13,495)	(25,444)
Share of profits/(losses) of joint ventures	-	-	94	-	(22)	(2,593)	-	(2,521)
Share of (losses)/profits of associated companies	(1,210)	-	-	4,338	(978)	(998)	-	1,152
(Loss)/profit before income tax	(6,736)	44,787	(4,409)	3,743	(19,819)	(11,384)	(19,030)	(12,848)
Income tax expense	(828)	(467)	(100)	(1,122)	(13)	-	(302)	(2,832)
Net (loss)/profit	(7,564)	44,320	(4,509)	2,621	(19,832)	(11,384)	(19,332)	(15,680)
Interest expense	4,373	209	163	315	1,051	1,687	15,487	23,285
Income tax expense	828	467	100	1,122	13	-	302	2,832
Depreciation and amortisation	1,633	846	1,949	3,165	8,048	1,269	370	17,280
Share of (profits)/losses of joint ventures	-	-	(94)	-	22	2,593	-	2,521
Share of losses/(profits) of associated companies	1,210	-	-	(4,338)	978	998	-	(1,152)
Currency translation (gains)/losses, net	(5,290)	102	1,841	740	1,631	1,707	(3,844)	(3,113)
Yoma Central Project	1,587	-	-	-	-	-	-	1,587
Core Operating EBITDA	(3,223)	45,944	(550)	3,625	(8,089)	(3,130)	(7,017)	27,560
Net (loss)/profit include:								
- Net fair value gains on investment properties	-	38,840	-	-	-	2,565	-	41,405
- Fair value losses on financial assets at fair value through profit or loss	-	-	-	-	-	(2,159)	-	(2,159)
- Fair value gain on financial liabilities at fair value through profit or loss	-	-	-	-	-	-	494	494
- Fair value loss on assets of disposal group classified as held-for-sale	-	-	-	-	-	(1,512)	-	(1,512)
- Impairment loss of goodwill	-	-	-	-	(756)	-	-	(756)
- Impairment loss of agriculture operating rights	-	-	-	-	-	(3,731)	-	(3,731)
- Impairment loss of prepayment - crop and supply agreement	-	-	-	-	-	(1,958)	-	(1,958)
- Impairment loss on financial assets at amortised cost, net	(3,458)	-	(104)	(1,108)	-	-	-	(4,670)
- Write-offs for stores closure	-	-	-	-	(4,857)	-	-	(4,857)
- Provision for winding up cost	-	-	-	-	(2,975)	-	-	(2,975)
Segment assets	678,002	265,017	28,913	78,114	46,870	116,260	16,225	1,229,401
Segment assets includes:								
- Investments in associated companies	31,756	-	-	36,811	4,729	17,742	-	91,038
- Investments in joint ventures	-	-	3,722	-	-	3,714	-	7,436
- Additions to non-current assets	16,172	2,600	273	3,587	1,008	2	105	23,747
Segment liabilities	180,861	18,760	7,798	4,809	16,477	36,732	282,561	547,998

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	← Myanmar →				Myanmar/ PRC	Myanmar/ Singapore	Total US\$'000
	Yoma Land Development US\$'000	Yoma Land Services US\$'000	Yoma Motors US\$'000	Yoma Financial Services US\$'000	Yoma F&B US\$'000	Investments US\$'000	
12-month period ended 30.09.2020							
Revenue							
Total segment sales	31,728	9,697	24,247	7,550	31,963	2,541	107,726
Less: Inter-segment sales	-	(1,438)	(450)	(276)	(444)	(1,760)	(4,368)
Sales to external parties	31,728	8,259	23,797	7,274	31,519	781	103,358
Cost of sales	(24,727)	(4,495)	(19,439)	(3,686)	(17,827)	(126)	(70,300)
Gross profit	7,001	3,764	4,358	3,588	13,692	655	33,058
Other losses or gains	(4,140)	(9,515)	1,120	541	1,244	(752)	(11,619)
Expenses:-							
- Administrative	(8,356)	(3,177)	(6,916)	(2,188)	(20,571)	(2,048)	(55,124)
- Finance	(5,034)	644	(262)	(609)	(1,405)	(404)	(21,599)
Share of (losses)/profits of joint ventures	-	(1,165)	911	-	(17)	(1,535)	(1,806)
Share of (losses)/profits of associated companies	(2)	-	-	6,148	(1,777)	(9,845)	(5,476)
(Loss)/profit before income tax	(10,531)	(9,449)	(789)	7,480	(8,834)	(13,929)	(62,566)
Income tax (expense)/credit	(898)	(546)	(1,041)	(369)	54	-	(3,172)
Net (loss)/profit	(11,429)	(9,995)	(1,830)	7,111	(8,780)	(13,929)	(65,738)
Interest expense	4,869	1,175	197	592	1,406	1,061	24,055
Income tax expense/(credit)	898	546	1,041	369	(54)	-	3,172
Depreciation and amortisation	1,310	1,609	1,889	3,350	9,052	426	17,945
Share of losses/(profits) of joint ventures	-	1,165	(911)	-	17	1,535	1,806
Share of losses/(profits) of associated companies	2	-	-	(6,148)	1,777	9,845	5,476
Currency translation losses/(gains), net	2,746	(4,029)	(985)	(326)	(640)	394	(4,925)
Yoma Central Project	2,008	-	-	-	-	-	2,008
Core Operating EBITDA	404	(9,529)	(599)	4,948	2,778	(668)	(16,201)
Net (loss)/profit include:							
- Net fair value losses on investment properties	-	(12,108)	-	-	-	-	(12,108)
- Fair value gains on financial assets at fair value through profit or loss	-	-	-	-	-	1,378	1,378
- Fair value gain on financial liabilities at fair value through profit or loss	-	-	-	-	-	-	106
- Fair value loss on assets of disposal group classified as held-for-sale	-	-	-	-	-	(669)	(669)
- Gain on disposal of financial asset at fair value through profit or loss	-	-	-	-	-	3,638	3,638
- Gain on measurement of previously held interest in a joint venture as a result of change in control	-	-	-	-	241	-	241
- Deemed gain on dilution of investment in joint ventures	-	-	-	-	-	957	957
- Gain on divestment of investment in associate company	-	-	-	-	53	-	53
- Impairment loss of agriculture operating rights	-	-	-	-	-	(1,316)	(1,316)
- Impairment loss of prepayment - crop and supply agreement	-	-	-	-	-	(4,310)	(4,310)
- Impairment loss on financial assets at amortised cost, net	(576)	(62)	(58)	-	-	-	(696)
Segment assets	682,369	328,944	38,211	82,635	79,340	98,178	1,342,117
Segment assets includes:							
- Investments in associated companies	28,158	-	-	30,005	-	24,791	82,954
- Investments in joint ventures	-	-	3,772	-	88	6,740	10,600
- Additions to non-current assets	342	3,081	812	9,837	18,475	38	33,781
Segment liabilities	188,945	24,263	8,918	8,791	22,674	25,799	548,183

6. Operating segments (Continued)

6.2. Geographical information

The Group's seven business segments operate in three main geographical areas: Singapore, Myanmar and the People's Republic of China.

- Singapore/Myanmar – the Company is headquartered in Singapore and has operations in Singapore and Myanmar. The operations in this area are principally corporate services, treasury functions and investment activities.
- Myanmar – the operations in this area are principally the development of properties and the sale of land development rights and development properties; the leasing of investment properties, the provision of project management, design services and estate management; the sale of automotive & heavy equipment products; the operation of restaurants, the bottling and distribution of beverages and the development of food wholesales and logistics services; and the leasing of motor vehicles and mobile financial services.
- People's Republic of China – the operations in this area are principally the leasing of investment properties.

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	The Group					
	Revenue		Revenue		Non-current assets	
	6-month period ended		12-month period ended		12-month period ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Singapore	-	-	-	-	98,935	98,739
Myanmar	42,997	50,816	86,609	102,598	577,167	659,225
People's Republic of China	381	364	719	760	-	-
Total	43,378	51,180	87,328	103,358	676,102	757,964

6.3 Breakdown of sales

	The Group	
	12-month period ended	
	30.09.2021	30.09.2020
	US\$'000	US\$'000
Revenue reported for the first six month for the financial period	43,950	52,178
Profit after tax before deducting non-minority interest reported for the first six month for the financial period	(21,637)	(17,785)
Revenue reported for the second six month for the financial period	43,378	51,180
Profit/(loss) after tax before deducting minority interest reported for the last six month for the financial period	5,957	(47,953)

7. Revenue

	The Group			
	6-month period ended		12-month period ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue from contracts with customers	38,148	44,971	76,130	90,838
Leasing income from investment properties	1,962	2,445	4,476	5,246
Leasing income from motor vehicles	2,121	2,759	4,415	5,113
Interest income from finance leases	1,147	1,005	2,307	2,161
	43,378	51,180	87,328	103,358

8. Profit/(loss) before income tax

	The Group			
	6-month period ended		12-month period ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	US\$'000	US\$'000	US\$'000	US\$'000
Significant items:-				
Amortisation of intangible assets	505	500	1,012	998
Depreciation of property, plant and equipment	7,464	8,313	16,268	16,948
Write-off of property, plant and equipment	4,971	381	5,156	928
Employee share option expenses	-	48	-	108
Employee share award expenses	51	110	110	537
Fair value losses/(gains) on financial assets at fair value through profit or loss	2,163	(830)	2,159	(1,378)
Fair value gain on financial liabilities at fair value through profit or loss	(494)	(106)	(494)	(106)
Gain on disposal of property, plant and equipment	(147)	(140)	(191)	(226)
Gain on disposal of financial asset at fair value through profit or loss	-	-	-	(3,638)
Net fair value (gains)/losses on investment properties	(41,405)	12,108	(41,405)	12,108
Dividend income from financial assets at fair value through profit or loss	-	(180)	-	(180)
Fair value loss on assets of disposal group classified as held-for-sale	1,512	669	1,512	669
Gain on measurement of previously held interest in joint venture as a result of change in control	-	(241)	-	(241)
Impairment loss on financial assets at amortised cost, net	4,224	696	4,670	696
Impairment loss of prepayment – crop and supply agreement	1,958	4,310	1,958	4,310
Impairment loss of agriculture operating rights	3,731	1,316	3,731	1,316
Impairment loss of goodwill	756	-	756	-
Expenses write off for closure business	4,857	-	4,857	-
Provision of contingency liabilities	2,975	-	2,975	-
Interest income on loan to joint venture	(1,956)	(1,296)	(3,830)	(1,296)
Interest income on bank deposits	(121)	(77)	(183)	(287)
Interest income from trade receivables under instalments and contracts with significant financing component	(82)	(510)	(82)	(518)
Interest expense on borrowings	9,597	8,599	19,272	19,853
Interest expense on leases liabilities	1,939	1,727	3,980	3,949
Currency translation (gains)/losses on borrowings, net	(2,062)	(1,170)	17	(4,969)
Currency translation (gains)/losses, net	(2,749)	(154)	(3,130)	46

9. Related party transactions

The following transactions took place between the Group and its related parties on terms agreed between the parties during the financial period/year ended. The balances arising from the sale/purchase of goods and services are unsecured and receivable/payable within 12 month from the reporting date.

	The Group			
	6-month period ended		12-month period ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	US\$'000	US\$'000	US\$'000	US\$'000
<i>With a common controlling shareholder and entities related thereof</i>				
Sales	3,714	677	4,262	1,325
Purchases	1,338	361	2,303	293
Treasury transactions*	17,439	11,165	17,201	14,528
Land development rights transactions#	-	-	-	136
Financial guarantee to Yoma Bank^	224	4,947	2,072	8,862
Prepayments for supply of crops	68	128	187	263
Advance payment for investment in associated company	-	-	-	2,879
Advance rental received	5,561	-	9,405	-
<i>With joint ventures</i>				
Sales	188	1,819	608	1,890
Purchases	64	520	584	2,149
Construction costs	218	2,660	32,557	27,059
Other service income	134	427	470	1,126
<i>With associated companies</i>				
Sales	74	2,988	208	3,146
Purchases	49	55	76	55

* Treasury transactions refer to cash deposits placed with Yoma Bank Limited, a related party which is an entity controlled by a director who is also the controlling shareholder.

Land development rights transactions comprise the receipt of proceeds from the sale of land development rights on behalf of the Group by entities related by a common controlling shareholder and the payment of marketing commissions by the Group to entities related by a common shareholder.

^ Financial guarantee relates to Convenience Prosperity Company Limited ("CPCL") assuming a portion of the financial obligations of its customers under hire purchase financing arrangements offered by Yoma Bank. CPCL will be responsible for a portion of any credit losses incurred by Yoma Bank Limited when the customer defaults on its payments.

10. Income tax

	The Group			
	6-month period ended		12-month period ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	US\$'000	US\$'000	US\$'000	US\$'000
Current income tax for the period/year	853	2,806	1,426	3,281
Deferred income tax	1,462	(55)	1,406	(109)
Total	2,315	2,751	2,832	3,172

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11. Net Asset Value

	The Group		The Company	
	30.09.2021 US\$'000	30.09.2020 US\$'000	30.09.2021 US\$'000	30.09.2020 US\$'000
Net asset attributable to the owners of the Company as at the respective balance sheet dates	487,252	599,309	516,978	529,760
Net asset attributable to owners of the Company per ordinary share based on issued share capital as at the respective balance sheet dates (US\$ cents)	21.78	26.80	23.11	23.68

12. Intangible assets

Intangible assets at the consolidated statement of financial position date are as follows:

	The Group	
	30.09.2021 US\$'000	30.09.2020 US\$'000
Composition:		
Agriculture operating rights (note a)	-	4,095
Golf estate operating rights	9,826	9,990
Distributor licence	1,034	1,346
Trademark (note b)	1,766	1,766
Goodwill (note c)	8,032	8,788
	20,658	25,985

	Agriculture operating rights	Golf estate operating rights	Distributor licence	Trademark	Goodwill	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
The Group						
Cost						
As at 30 September 2019	10,612	11,728	3,096	1,766	8,032	35,234
Additions	-	-	-	-	756	756
Currency translation differences	44	54	-	-	-	98
As at 30 September 2020	10,656	11,782	3,096	1,766	8,788	36,088
Additions	-	-	-	-	-	-
Currency translation differences	173	186	-	-	-	359
As at 30 September 2021	10,829	11,968	3,096	1,766	8,788	36,447
Accumulated amortisation/impairment						
As at 30 September 2019	4,835	1,469	1,443	-	-	7,747
Amortisation charge	376	315	307	-	-	998
Impairment loss	1,316	-	-	-	-	1,316
Currency translation differences	34	8	-	-	-	42
As at 30 September 2020	6,561	1,792	1,750	-	-	10,103
Amortisation charge	381	319	312	-	-	1,012
Impairment loss	3,731	-	-	-	756	4,487
Currency translation differences	156	31	-	-	-	187
As at 30 September 2021	10,829	2,142	2,062	-	756	15,789
Net Book Value						
As at 30 September 2020	4,095	9,990	1,346	1,766	8,788	25,985
As at 30 September 2021	-	9,826	1,034	1,766	8,032	20,658

(a) Agriculture operating rights

Agriculture operating rights are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. The Group has performed impairment test and an impairment loss of US\$3,731,000 (30 September 2020: US\$1,316,000) had been provided due to no revenue generated and continuous losses in agricultural business.

(b) Trademarks

Trademarks with a carrying amount of US\$1,766,000 relate to the “YKKO” brand of a well-known restaurant chain with a history of over 30 years and a network of over 37 outlets in Myanmar that were acquired during the financial year ended 31 March 2019. The useful lives of these trademarks are estimated to be indefinite.

The Group had carried out an assessment of the recoverable amount of trademark based on value-in-use calculation alongside with the assessment of recoverable on goodwill from food and beverage business. Based on assessment, the recoverable amount of the trademark exceeded the carrying amount and no impairment required.

(c) Goodwill

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (“CGUs”) that are expected to benefit from that business combination. The allocation is as follows:

	The Group	
	30.09.2021	30.09.2020
	US\$'000	US\$'000
Restaurant	8,032	8,032
Logistics and distribution business	-	756
	8,032	8,788

Goodwill is tested annually for impairment or more frequently if there are indications that goodwill might be impaired. The recoverable amounts of the CGUs are determined using value in use calculations, derived from the most recent financial budgets approved by management for the next five years. Key assumptions as follows:

	Estimated average growth rate		Discount rate	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
Restaurant	3%	7%	23.0%	25.6%
Logistics and distribution business	5%	5%	24.0%	21.9%

Management has forecasted future cash flows taking into account the effects of COVID-19, including developments subsequent to the financial year end. Discount rates were estimated using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs.

13. Property, plant and equipment

During the financial year ended 30 September 2021, the Group acquired assets amounting to US\$21.43 million (30 September 2020: US\$33.52 million) and disposed of assets with net book value of US\$7.98 million (30 September 2020: US\$6.97 million). The additions arising from right-of-use-assets was US\$0.51 million (30 September 2020: US\$6.55 million).

Included in the Group’s additions of property, plant and equipment are:

- utilisation of prior financial year’s prepayment totalling to US\$3.09 million (30 September 2020: US\$1.56 million); and
- right-of-use assets with lease liabilities of US\$0.46 million (30 September 2020: US\$5.57 million).

14. Investment properties

	The Group	
	30.09.2021	30.09.2020
	US\$'000	US\$'000
Beginning of financial year	273,379	242,960
Movements:		
Subsequent expenditure on investment properties	2,716	3,072
Net fair value losses recognised in profit or loss	41,405	(12,108)
Currency translation differences	(88,590)	39,455
End of financial year	228,910	273,379

The Group engages external independent and qualified valuation experts to determine the fair values of the Group's investment properties at the end of every financial year based on the properties' highest and best use. The fair values are determined based on the sale prices of comparable properties in close proximity are adjusted for differences in key attributes such as location, property size and age.

At each reporting period end, the finance department will verify all major inputs to the independent valuation reports, assesses property valuation movements when compared to the prior year valuation reports, and hold discussion with the independent valuation experts to ensure reliability of the information used.

15. Borrowings

	The Group		The Company	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	US\$'000	US\$'000	US\$'000	US\$'000
Amount repayable within one year or on demand				
Secured	64,055	41,523	27,443	17,764
Unsecured	26,039	35,678	18,337	26,904
Amount repayable after one year				
Secured	198,078	253,930	94,679	120,568
Unsecured	64,879	20,682	56,427	10,000
Borrowings are analysed as:				
Secured	262,133	295,453	122,122	138,332
Unsecured	90,918	56,360	74,764	36,904
	353,051	351,813	196,886	175,236

Total borrowings as at 30 September 2021 of US\$353.05 million were mainly made up of the limited recourse loan facility to the Yoma Central project, a Thai Baht Bond issued by the Company which is fully guaranteed by Credit Guarantee and Investment Facility, loans from development financial institutions, including Nederlandse Financierings-maatschappij Voor Ontwikkelingslanden N.V., the Asian Development Bank and the International Finance Corporation, and loans from Myanmar and other international banks. The collateral provided for secured borrowings included the following:

- Certain investment properties, property, plant and equipment, land development rights and leasehold interests of the Group;
- The Group's interests and rights in certain subsidiary corporations, investments in associated companies and investments in joint ventures; and

Certain current assets and bank deposits which were restricted for use in debt service reserve accounts.

Given the events of the last 18 months, the Group has been in dialogue with its Lenders to revise certain loan repayment schedules and the existing covenant framework to address their appropriateness in the current operating environment and in light of the Group's latest business profile and mix. The Group has secured extensions to the repayment schedules for certain loan facilities and discussions on the covenant framework remain ongoing.

As at 30 September 2021 and the date of this announcement, there were no notifications from Lenders for any loans to be accelerated or settled on an on-demand basis.

16. Share Capital

	The Group and the Company			
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
Issued and paid:			US\$'000	US\$'000
Number of ordinary shares				
At the beginning and end of the year	2,237,469,260	2,237,469,260	624,890	624,890

Employee Shares Option Scheme

Pursuant to the Employees Shares Option Scheme ("YSH ESOS 2012"), the Company forfeited share options comprising 896,644 ordinary shares during the twelve-month period ended 30 September 2021. As at 30 September 2021, the total outstanding share options granted under the YSH ESOS 2012 were for 13.59 million (30 September 2020: 14.49 million) ordinary shares.

Performance Share Plan

Pursuant to the Yoma Performance Share Plan ("Yoma PSP"), the Company forfeited awards comprising 700,000 ordinary shares during the twelve-month period ended 30 September 2021. As at 30 September 2021, the total number of ordinary shares awarded under the Yoma PSP was 8.93 million (30 September 2020: 9.63 million).

Treasury shares

The Company did not have any treasury shares as at 30 September 2021. The Company's subsidiaries did not hold any shares in the Company as at 30 September 2021 and 30 September 2020.

Total number of issued shares

The total number of issued shares of the Company remained at 2,237,469,260 as at 30 September 2021.

17. Categories of financial assets and financial liabilities

	The Group		The Company	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	US\$'000	US\$'000	US\$'000	US\$'000
Financial assets:-				
At amortised cost	150,798	178,789	16,094	22,736
At fair value through profit or loss	10,283	12,231	-	-
	161,081	191,020	16,094	22,736
Financial liabilities:-				
At amortised cost	491,965	488,678	206,561	183,439
Put options to non-controlling interests	35,107	33,026	35,107	33,026
At fair value through profit or loss	1,015	1,510	1,015	1,510
	528,087	523,214	242,683	217,975

18. Subsequent events

There are no known subsequent events which have led to adjustments to this set of financial statements.

(F) Other information required by Listing Rule Appendix 7.2

1. (a) Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The condensed interim full year consolidated statement of financial position of Yoma Strategic Holdings Ltd and its subsidiaries as at 30 September 2021 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the second half and full year ended 30 September 2021 and explanatory notes have not been audited or reviewed by the Company's Independent Auditors.

(b) Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

2. Review of performance of the Group

Statements of Comprehensive Income

Six-month period ended 30 September 2021

During the six-month period ended 30 September 2021 ("6M-Sept2021"), the Group's businesses were impacted by the third wave of COVID-19 and the uncertain operating environment in Myanmar that started in February 2021. The Group's total revenue in 6M-Sept2021 decreased by 15.2% to US\$43.38 million as compared to US\$51.18 million in the six-month period ended 30 September 2020 ("6M-Sept2020"). The decrease in the Group's total revenue was mainly due to declines in the Yoma F&B and Yoma Motors segments that were offset partially by the slight increase in the aggregate revenue generated by the two real estate segments. Set out below is the breakdown of revenue by business segment:

	6M-Sept2021		6M-Sept2020	
	US\$'million	As a percentage of total revenue	US\$'million	As a percentage of total revenue
Yoma Land Development	15.61	36.5%	18.57	36.4%
Yoma Land Services	8.34	18.2%	3.71	7.2%
Yoma Motors	6.35	14.8%	12.27	24.0%
Yoma Financial Services	3.27	7.6%	3.76	7.3%
Yoma F&B	9.24	21.6%	12.51	24.4%
Investments	0.57	1.3%	0.36	0.7%
Total	43.38	100.0%	51.18	100.0%

Revenue generated from the Yoma Land Development segment decreased to US\$15.61 million in 6M-Sept2021 as compared to US\$18.57 million in 6M-Sept2020. This decrease was mainly due to a decrease of US\$2.81 million in revenue recognized by Yoma Central as a result of the project's suspension and a lower percentage of completion achieved in 6M-Sept2021 as compared to 6M-Sept2020. Revenue in Pun Hlaing Estate ("PHE") and StarCity decreased by less than 1% in 6M-Sept2021 as compared to 6M-Sept2020. With the slowdown in construction progress following the completion of 3 out of 6 buildings in September 2020, revenue from City Loft @ StarCity was lower in 6M-Sept2021 as compared to 6M-Sept2020. However, this decrease was offset by the revenue generated by Star Villas in StarCity which commenced construction in October 2020 and land sales in PHE. Revenue from the Yoma Land Development segment is recognised over time based on a percentage of completion basis. As at 30 September 2021, the unrecognised revenue for units sold in StarCity, including both City Loft and Star Villas, amounted to approximately US\$13.07 million. For reference, 783 City Loft units have been sold or booked out of 931 units launched and 30 Star Villas units have been sold or booked out of 32 units launched as of 30 September 2021.

Real estate services revenue comprised mainly leasing revenue from the Group's investment properties in Myanmar, estate management fee income generated from StarCity and PHE and operator fee income as the operator of Pun Hlaing Golf and Country Club. Leasing revenue declined in 6M-Sept2021 primarily as a result of reduced rental rates at PHE and StarCity. However, the revised rental rates helped to achieve a gradual increase in occupancy levels. In addition, the leasing revenue in relation to office space at The Campus was reallocated to the investments segment. The decline in leasing revenue in 6M-Sept2021 was also offset by higher operator fee income of US\$4.66 million (which is based on a share of the profit in Hlaing River Golf and Country Club Co. Limited ("HRGCCL")) as a result of the fair value gain recognised in HRGCCL's 6M-Sept2021 income statement due to the appreciation of USD against MMK as explained in the below paragraphs.

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Revenue from the Group's Yoma Motors segment decreased significantly by 48.2% to US\$6.35 million in 6M-Sept2021 as compared to US\$12.27 million in 6M-Sept2020. Revenue from New Holland tractors and JCB construction equipment decreased in 6M-Sept2021 mainly due to the absence of government tenders and lower demand as a result of the monsoon season, falling crop prices and disruptions to hire purchase financing arrangements provided by local banks to end customers. Revenue from Volkswagen vehicles and Ducati motorbikes also decreased in 6M-Sept2021 mainly due to the closure of vehicles registration offices and dealer showrooms as well as similar disruptions to customer financing arrangements.

Financial services revenue was generated by Yoma Fleet, which is in the vehicle and equipment leasing and rental business. Revenue in 6M-Sept2021 decreased slightly to US\$3.27 million as compared to US\$3.76 million in 6M-Sept2020. The slight decrease was mainly due to the drop in third party asset under management ("AUM") and the demand for daily-rental vehicles. Third party AUM stood at US\$40.89 million as of 30 September 2021.

The Group recorded significantly lower revenue of US\$9.24 million in its consumer segment in 6M-Sept2021 as compared to US\$12.51 million in 6M-Sept2020. The decrease mainly relates to the KFC and YKKO restaurants business which was impacted by fewer number of operating stores, disrupted trade zones, shorter operating hours, disruptions to consumer spending and precautionary health and safety measures adopted by the Group during the 6M-Sept2021 period. The Group also closed the Little Sheep and Auntie Anne's restaurants business in 6M-Sept2021 to focus on the two larger restaurants brands.

Gross profit margin of 33.9% in 6M-Sept2021 was slightly higher than the 32.3% recorded in 6M-Sept2020. The increase was mainly due to the higher gross profit margins for the sale of higher margin products at PHE and the higher operating fee income at PHE that had marginal cost. This improvement was partially offset by the decrease in consumer gross profit margins where higher costs, such as delivery commissions and packaging costs, were recorded in 6M-Sept2021.

In 6M-Sept2021, the Group recorded other gains of US\$28.84 million as compared to other losses of US\$16.46 million in 6M-Sept2020. The variance in other gains for these two periods was mainly due to fair value gains on investment properties of US\$41.41 million recorded in 6M-Sept2021 as compared to fair value losses of US\$12.11 in 6M-Sept2020. Investment properties in Myanmar are held by subsidiaries which have a functional currency of MMK. However, the valuation of certain investment properties is determined in USD mainly due to (i) the rental being charged in USD terms and (ii) the selling prices of comparable properties in the Myanmar market being mostly determined in USD per square foot. As compared to 30 September 2020, USD had appreciated by more than 40% against the MMK as at 30 September 2021. As a result, the fair value of the Group's investment properties was higher in MMK terms as at 30 September 2021 due to currency translation gains of approximately US\$99.73 million when translating the USD fair value of the investment properties into the MMK accounts of the respective subsidiaries. In accordance with SFRS(I) 1-21 The Effects of Changes in Foreign Exchange Rates, the effect of currency translation on non-monetary assets, such as investment properties measured at fair value, is recognized as part of the fair value remeasurement in profit or loss. The breakdown of the fair value gain of US\$41.41 million recorded in 6M-Sept2021 and the fair value loss of US\$12.11 in 6M-Sept 2020 can be further analysed as follows:-

The Group	
US\$'million	
6-month period ended	
30.09.2021	30.09.2020
Effect of currency translation	(33.73)
Fair value (loss)/gain in USD	21.62
Net fair value gain/(loss) including effect of currency translation	(12.11)

The fair value gains on investment properties in 6M-Sept2021 were offset by the following:-

- (a) impairment losses on agriculture assets of US\$5.69 million (6M-Sept2020: US\$5.63 million)
- (b) provisions for the winding up costs related to the Group's investment in the Metro joint venture of US\$2.98 million (6M-Sept2020: US\$Nil)
- (c) fair value losses on financial assets at fair value through profit or loss of US\$2.16 million (6M-Sept2020: gain of US\$0.83 million)
- (d) Impairment losses on a financial asset at amortised cost, net of US\$4.67 million (6M-Sept2020: US\$0.70 million)

The above are the results of annual fair value and impairment exercise performed on the Group's assets as required under SFRS(I).

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

The Group		
US\$'million		
6-month period ended		
	30.09.2021	30.09.2020
Interest expenses on borrowings	9.61	8.64
Interest expenses on lease liabilities and deferred trade payables	1.94	1.94
Finance fee	1.09	1.18
Currency translation (gain)/loss on borrowings, net	(2.06)	1.17
	10.58	12.93

Interest expenses on borrowings increased in 6M-Sept2021 as compared to 6M-Sept2020 mainly due to higher average borrowings during 6M-Sept2021 as compared to 6M-Sept2020. A currency translation gain on borrowings was recorded in 6M-Sept2021 mainly due to the strengthening of USD against THB in this period as compared to currency translation loss in 6M-Sept2020 due to the weakening of USD against THB in that period.

Administrative expenses stood lower at US\$22.14 million in 6M-Sept2021 as compared to US\$24.42 million in 6M-Sept2021. Administrative expenses were mainly made up of staff costs, short-term leases of premises and the depreciation of property, plant and equipment. The decrease in administrative expenses was a result of the continued cost control measures imposed during 6M-Sept2021, including salary reductions, lower overheads, reduced professional fees incurred and rental and utilities rebates. This decrease was partially offset by write-off costs of approximately US\$6.20 million which included realized bad debts in the real estate segment and costs related to permanent store closures as part of the downsizing of the restaurant platform.

The Group recorded a share of losses of joint ventures of US\$1.76 million in 6M-Sept2021 as compared to a share of losses of US\$1.24 million in 6M-Sept2020. This increase in the share of losses was mainly due to higher losses in Yoma Micro Power where borrowing costs were higher due to additional funding secured for the ongoing rollout of new sites and losses in Mitsubishi Motors where vehicle sales dropped by approximately 22% in 6M-Sept2021 as compared to 6M-Sept2020.

In 6M-Sept2021, the Group recognised a lower share of losses of associated companies of US\$0.82 million as compared to US\$6.71 million in 6M-Sept2020. This improvement was mainly due to the share of profits in Memories Group which recorded large currency translation gains on its MMK borrowings and lower impairment losses as compared to 6M-Sept2020. This increase was offset by a lower share of profits from Wave Money in 6M-Sept2021 (as Wave Money's business has been affected by the overall downturn in the macro economy, the disruption of mobile services and the continuing cash shortages in the market) and a share of losses in the Group's new real estate joint venture for City Loft West which recorded currency translation losses on its USD borrowings.

As a result of the above, the Group recorded a net profit attributable to equity holders of the Company of US\$0.22 million in 6M-Sept2021 as compared to net loss attributable to equity holders of the Company of US\$44.59 million in 6M-Sept2020.

Twelve month ended 30 September 2021

During the twelve-month period ended 30 September 2021 (“12M-Sept2021”) and the previous corresponding 12-month period ended 30 September 2020 (“12M-Sept2020”), the Group’s businesses were impacted by the COVID-19 pandemic. However, during 12M-Sept2021, the Group’s businesses were additionally impacted by the uncertain operating environment in Myanmar that started in February 2021. As such, the Group’s total revenue for 12M-Sept2021 decreased by 15.5% to US\$87.33 million as compared to US\$103.36 million in the previous corresponding 12-month period ended 30 September 2020 (“12M-Sept2020”). Set out below is the breakdown of revenue for 12M-Sept2021:

	12M-Sept2021		12M-Sept2020	
	US\$'million	As a percentage of total revenue	US\$'million	As a percentage of total revenue
Yoma Land Development	32.52	37.2%	31.73	30.7%
Yoma Land Services	12.37	14.2%	8.26	8.0%
Yoma Motors	14.74	16.9%	23.80	23.0%
Yoma Financial Services	6.72	7.7%	7.27	7.0%
Yoma F&B	19.81	22.7%	31.52	30.5%
Investments	1.17	1.3%	0.78	0.8%
Total	87.33	100.0%	103.36	100.0%

Revenue generated from the Yoma Land Development segment were slightly higher at US\$32.52 million in 12M-Sept2021 as compared to US\$31.73 million in 12M-Sept2020. For a large part of 12M-Sept2020, revenue from this segment came mainly from the POC recognition of sold City Loft @ StarCity units. The total revenue recognized for City Loft amounted to US\$11.24 million in 12M-Sept2021 where 5 building was completed as compared to US\$23.20 million in 6M-Sept2020 where 3 buildings were completed. Additional projects, such as Star Villas in Star City and Lotus Hills in PHE, as well as land sales in PHE generated revenue in 12M-Sept2021 to make up for the decrease in revenue from City Loft. Furthermore, in 12M-Sept2021, the POC revenue recognized from sold Peninsula Residences units at Yoma Central was also higher at US\$6.32 million as compared to US\$5.24 million in 12M-Sept2020.

Real estate services revenue in 12M-Sept2021 was higher at US\$12.37 million as compared to US\$8.26 million in 12M-Sept2020. This increase was mainly due to higher operator fee income of US\$4.78 million (which is based on a share of profit in Hlaing River Golf and Country Club Co. Limited (“HRGCCL”)) as a result of the fair value gain recognised in HRGCCL’s 12M-Sept2021 income statement due to the appreciation of USD against MMK as explained in the above paragraphs whereas there was a fair value loss recorded in 12M-Sept2020. Without the impact of the operator fee income, leasing revenue from the Group’s investment properties in Myanmar and the estate management fee revenue generated from StarCity and PHE dropped slightly to US\$7.59 million in 12M-Sept2021 as compared to US\$8.64 million in 12M-Sept2020. This decrease was due to a reduction in rental rates that was implemented to maintain occupancy levels and contribute to an increase in ancillary services revenue at both estates and the reallocation of leasing revenue in relation to office space at The Campus to the investments segment.

Revenue from the Group’s Yoma Motors segment decreased 38.1% to US\$14.74 million in 12M-Sept2021 as compared to US\$23.80 million in 12M-Sept2020. Revenue in this segment was affected by border closures, falling crop prices, showroom closures, delays in vehicle registration and disruptions to hire purchase financing arrangements provided by local banks to the customers. Revenue from New Holland tractors and JCB construction equipment was lower at US\$11.19 million in 12M-Sept2021 as compared to US\$17.10 million in 12M-Sept2020. 219 tractors were sold in 12M-Sept2021 as compared to 337 in 12M-Sept2020. Revenue generated from the sales of Volkswagen vehicles and Ducati motorbikes was also lower at US\$3.55 million for 12M-Sept2021 as compared to US\$6.70 million in 12M-Sept2020. 94 vehicles and 71 motorbikes were sold in 12M-Sept2021 as compared to 169 vehicles and 75 motorbikes in 12M-Sept2020.

Financial services revenue was generated by Yoma Fleet Limited. In 12M-Sept2021, revenue of US\$6.72 million was recorded as compared to US\$7.27 million in 12M-Sept2020. As at 30 September 2021, the total number of vehicles under lease was 1,315 as compared to 1,352 as at 30 September 2020. However, finance leases comprised 56.8% of Yoma Fleet’s portfolio as at 30 September 2021 as compared to 50.5% as at 30 September 2020. Finance leases record a lower amount of revenue and a higher profit margin as compared to operating leases. This resulted in a sharper drop in revenue than the decline in the total number of vehicles under lease.

The Group recorded significantly lower revenue of US\$19.81 million in its consumer segment in 12M-Sept2021 as compared to US\$31.52 million in 12M-Sept2020. The restaurants business was heavily impacted by fewer operating stores, operational disruptions at certain locations, shorter operating hours due to nationwide curfews, precautionary health and safety measures adopted by the Group and disruptions in consumer spending. The Group also closed the Little Sheep and Auntie Anne’s restaurants business in 12M-Sept2021 to focus on the KFC and YKKO brands.

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Gross profit margins in 12M-Sept2021 were 33.3% whilst they were 32.0% in 12M-Sept2020. The improvement was mainly due to higher gross profit margins in the real estate segments. Operator fee income has minimal corresponding direct cost of sales, and therefore contributed to relatively high gross profit margins in the Yoma Land Services segment. Higher gross profit margins were also recorded in the Yoma Land Development segment due to land sales and the sale of higher margin products, such as Lotus Hill in PHE. The improvement was offset by a lower margin in the consumer segment due to the (1) higher cost of packaging and delivery; and (2) logistic business having much lower margins than the restaurants business.

In 12M-Sept2021, the Group recorded net other gains of US\$31.24 million as compared to net other losses of US\$11.62 million in 12M-Sept2020. The main reason for the variance is a fair value gain of US\$41.41 million on the Group's investment properties in 12M-Sept2021 as compared to a fair value loss of US\$12.11 million in 12M-Sept2020. The fair values of these investment properties were affected by the appreciation of USD against MMK during the period and the resulting impacts explained in the paragraph above. Other significant items in other gains were disclosed in the paragraph above.

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

The Group	
US\$' million	
12-month period ended	
30.09.2021	30.09.2020
Interest expenses on borrowings	19.89
Interest expenses on lease liabilities and deferred trade payables	4.17
Finance fee	2.51
Currency translation losses /(gain) on borrowings, net	(4.97)
25.44	21.60

Interest expenses on borrowings decreased in 12M-Sept2021 as compared to 12M-Sept2020 despite an increase in average borrowings outstanding during the period due to a lower interest rate environment for USD LIBOR and MMK borrowing rates. In 12M-Sept2021, there were currency translation gains arising from the strengthening of USD against THB. However, these gains were offset by currency translation in the Group's MMK subsidiaries on their USD loans. Currency translation gains in 12M-Sept2020 was mainly due to the weakening of USD against MMK and CNY and the strengthening of USD against THB.

Administrative expenses were mainly made up of staff costs, short-term leases of premises and the depreciation of property, plant and equipment. Administrative expenses reduced by 15.8% to US\$46.41 million for 12M-Sept2021 as compared to US\$55.12 million for 12M-Sept2020. The decrease was the result of the continued cost control measures imposed during 12M-Sept2021, including salary reductions, lower overheads, reduced professional fees incurred and rental and utilities rebates, which outweighed write-off costs amounting to approximately US\$6.85 million incurred by the Group for realized bad debts in the real estate segment and costs related to permanent store closures in the restaurants platform.

The Group recorded a higher share of losses of joint ventures of US\$2.52 million in 12M-Sept2021 as compared to US\$1.81 million in 12M-Sept2020. The share of losses in 12M-Sept2021 increased mainly due to higher losses recorded at Yoma Micro Power (which was a result of higher borrowing costs due to the additional funding required for expansion) and a lower share of profits in Mitsubishi Motors (which was negatively impacted by significantly lower vehicle sales and currency translation losses on USD borrowings).

In 12M-Sept2021, the Group recorded share of profits of US\$1.15 million from associated companies as compared to share of losses of US\$5.48 million in 12M-Sept2020. The improvement in the share of profits was mainly due to a lower share of losses of US\$1.00 million in Memories Group in 12M-Sept2021 as compared to US\$9.85 million in 12M-Sept2020. Memories Group recorded lower losses in 12M-Sept2021 due to currency translation gains on its MMK borrowings as well as lower impairment losses on its operating assets as compared to 12M-Sept2020. A lower share of losses in Seagram MM in 12M-Sept2021 also contributed to the improvement. These positive variances were partially offset by a lower share of profits from Wave Money in 12M-Sept2021 where operations have been affected by the overall downturn in the macro economy, the disruption of mobile services and the continuing cash shortages in the market.

As a result of the above, the Group incurred a net loss attributable to equity holders of the Company of US\$19.70 million in 12M-Sept2021 as compared to a net loss attributable to equity holders of the Company of US\$60.53 million in 12M-Sept2020.

Review of Financial Position

Net assets attributable to equity holders of the Company stood at US\$487.25 million as at 30 September 2021 as compared to US\$599.31 million as at 30 September 2020 mainly due to currency translation adjustments in other comprehensive income arising from the consolidation of MMK subsidiaries and the net loss of US\$15.68 million recorded in 12M-Sept2021.

Assets of disposal group classified as held-for sale and liabilities directly associated with disposal group held-for-sale relate to the Group's investment in the retail shopping mall in Dalian which are held through the Group's subsidiaries, Wayville Investments Limited and Xun Xiang (Dalian) Enterprise Co., Ltd.

Current assets decreased from US\$551.49 million as at 30 September 2020 to US\$520.51 million as at 30 September 2021. The decrease was mainly due to the (1) reduction in inventories as the Group's businesses were focused on selling down existing inventories whilst waiting for import processes to stabilise, (2) reduction in advance payments to contractors at Yoma Central and (3) reduction in trade receivables due to collections and making provisions for credit allowances. These reductions were partially offset by the increase in development properties from US\$304.76 million to US\$320.13 million as a result of additional construction costs incurred. The majority of development properties relates to the Yoma Central project, which totaled US\$278.33 million as at 30 September 2021. The increase in development properties was partially offset by the recognition of costs relating to sold residential units, primarily at City Loft @ StarCity, Star Villas and The Peninsula Residences, in profit or loss.

Non-current assets decreased from US\$757.96 million as at 30 September 2020 to US\$676.10 million as at 30 September 2021. The major movements in non-current assets came from (i) a 16% decrease in the value of the Group's investment properties in USD terms after taking into consideration the current operating environment and the real estate market in Myanmar; (ii) a write-off of agricultural assets amounting to US\$5.97 million; (iii) a 12.5% decrease in property, plant and equipment mainly arising from the consolidation of MMK subsidiaries due to the weakening of MMK against USD; and (iv) an increase in the value of investments in associated companies and joint ventures due to additional investments into Wave Money and a new joint venture for the City Loft West project.

Current liabilities as at 30 September 2021 were US\$190.77 million as compared to US\$172.23 million as at 30 September 2020. The increase was mainly due to advance receipts received for a new real estate project that was offset by a decrease in lease liabilities which was mainly due to currency translation effects arising from the consolidation of MMK subsidiaries.

Non-current liabilities stood at US\$356.72 million as at 30 September 2021 as compared to US\$375.51 million as at 30 September 2020. Non-current liabilities were mainly made up of borrowings and long-term lease liabilities.

Review of Statement of Cashflow

Cash and bank balances stood at US\$26.94 million as at 30 September 2021 as compared to US\$34.71 million as at 30 September 2020. Included in the cash and bank balances as at 30 September 2021 were bank balances amounting to US\$0.22 million (30 September 2020: US\$11.65 million) which were restricted for use in debt service reserve accounts in relation to certain loans. In 12M-Sept2021, cash generated from operating activities was US\$4.19 million and was lower than that of 12M-Sept2020 mainly due to the absence of the sales proceeds from the disposal of the Group's investment in the telecommunication towers business. Net cashflow used in investing activities decreased from US\$138.83 million in 12M-Sept2020 to US\$40.47 million in 12M-Sept2021 and were mostly related to the Yoma Central project. These changes are in line with the Group's direction to focus on its business operations and reduce its capital expenditures in the current operating environment. Net cash provided from financing activities in 12M-Sept2021 decreased to US\$32.55 million as compared to US\$108.19 million due to the absence of the placement proceeds from Ayala Corporation which were received in 12M-Sept2020.

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

The current announced results are in line with the general prospect commentary as disclosed to shareholders in the previous results announcements.

4. A commentary at the date of the announcement of the 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 month.

Outlook

Following a severe third wave of COVID-19 in July and early August 2021, based on publicly available data, the number of cases has substantially subsided in Myanmar. Business activities in the country have since resumed. The growing pace of COVID-19 vaccinations and the communities' general readiness for the pandemic are expected to dampen the impact of any future COVID-19 spikes in Myanmar.

In August 2021, the Group commenced its own vaccination programme for employees and their families. Today, almost all employees of the Group have been vaccinated. As a result, all the Group's operations have resumed and offices have reopened with safety measures in place.

The Group's real estate businesses continue to see positive momentum and strong performance. As construction activities at StarCity continued over the past 3 months despite the COVID-19 third wave, most of the residual revenue recognition from the City Loft @ StarCity units and Star Villas previously sold will be recognized in the coming two quarters as construction progresses. As at 30 September 2021, the Group's unrecognised revenue in StarCity and PHE amounted to more than US\$14 million. Moreover, the Group has also recently launched the next 2 buildings of City Loft @ StarCity and plans to market additional Star Villas which will generate incremental revenue for Yoma Land's development business over the next 24 months.

Wave Money is expected to grow substantially given that the digitalization of the financial system is a key priority for the Central Bank of Myanmar. Over-the-counter money transfers, digital transaction volumes and digital monthly active users for the e-wallet have all recovered substantially since June, and the trend is expected to continue with month-on-month growth. The Group had previously agreed to acquire Telenor's 51% stake in Wave Money in the context of Ant Group's investment in the company and remains in discussion with Telenor regarding Wave Money's future strategy and structure.

With fewer COVID-19 cases, shopping malls and other retail establishments have reopened, and the Group's F&B restaurants business is seeing a strong recovery. With the completion of the rationalisation of the restaurants platform, the Group expects a lower revenue contribution with an increased profitability for the restaurants business going forward.

While the sharp depreciation of MMK against USD has fuelled the demand for hard assets, including real estate and motor vehicles, it has also resulted in the rising cost of goods and services and general inflationary pressures. The Group will continue to monitor currency movements closely and will adjust proactively with the appropriate countermeasures, including the upfront sourcing of USD, to minimise the impact to the Group. The Group will also remain steadfast in exercising cost discipline across all business entities and head office functions.

With the resumption of the Group's business activities, the Group's CEO and CFO salaries, which had been voluntarily waived over the past 6 months, have been partially reinstated from October 2021. The Group's Executive Chairman continues to waive his salary.

Strategic Updates

In September 2021, Yoma Strategic announced that the long stop date for the completion of the proposed second tranche placement by the Ayala Corporation has been extended to 31 December 2021.

The economic and business environment in Myanmar continues to evolve. The Group is closely monitoring developments and has been dynamically adjusting its approach to ensure commercial survival, business resilience and sustainability for each of its business units. The Group also remains in close dialogue with its international partners and lenders, who remain supportive of the Group, as well as the broader business community in Myanmar. The Company will provide updates on any changes that will materially impact its businesses.

5. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

In light of the uncertain operating environment and the Group's results for 12M-Sept2021, the Board has reviewed and recommended no dividend for 12M-Sept2021.

(b) Corresponding Period of the immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

6. Disclosure on Incorporation, Acquisition and Realisation of Shares pursuant to Rule 706A of the SGX-ST Listing Manual

Date	Name of Company	Relationship	Description (Incorporation /Disposal)	Paid-up share capital	Principal Activities	Place of Incorporation
7 June 2021	Access Myanmar Holding Company Pte. Ltd.	Subsidiary Corporation	Struck Off	US\$50,000	Consumer	Singapore
24 September 2021	D Service (Myanmar) Limited	Associated Company	Disposed	US\$50,000	Automotive	Myanmar

7. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, statement to that effect.

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during 12M-Sept2021 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) US\$'000	Aggregate value of all interested person transactions during 12M-Sept2021 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) US\$'000
General Transactions			
(a) First Myanmar Investment Public Company Limited	Associates of Mr. Serge Pun, Executive Chairman	-	121
(b) FMI Industrial Investment Co Ltd		-	289
(c) Hlaing River Golf & Country Club Co., Ltd		-	1,075
(d) JJ-Pun Trading Company Limited	Associates of Mr. Serge Pun, Executive Chairman	-	189
(e) Myanmar Agri-Tech Ltd		-	248
(f) Pun Hlaing International Hospital Limited		-	163

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(g) Serge Pun & Associates (Myanmar) Ltd		-	134
(h) Yoma Bank Limited		-	15,536
(i) Memories Group Limited		-	84
(j) SPA Assets Management Limited		-	720
(k) Serge Pun		5,351	-
<u>Treasury Transactions</u>			
(a) Yoma Bank Limited (excluding Meeyahta International Hotel Limited)	Associate of Mr. Serge Pun, Executive Chairman	-	14,657
(b) Yoma Bank Limited (comprising only Meeyahta International Hotel Limited)		-	2,544
<u>Loan Interest Expenses Transaction</u>			
(a) Ayala Corporation	Associate of Mr Fernando Miranda Zobel de Ayala (Former Non-Executive Director)	-	12,205 ⁽¹⁾

(1) This is an estimated total amount of interest payable to Ayala Corporation for a 5-year loan assuming full repayment of principal at maturity.

- 8. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age as at 30 September 2021	Family relationship with any director, CEO and / or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Serge Pun	68	Father of Mr Melvyn Pun who is an Executive Director and the Chief Executive Officer of the Company and Mr Cyrus Pun who is a Non-Executive Director of the Company.	Mr Serge Pun was appointed as an Executive Director and the Executive Chairman since August 2006.	Nil
Melvyn Pun Chi Tung	43	Son of Mr Serge Pun who is the Executive Chairman and substantial shareholder of the Company and brother of Mr Cyrus Pun who is a Non-Executive Executive Director of the Company.	Mr Melvyn Pun was appointed as an Executive Director and the Chief Executive Officer since July 2015.	Nil

9. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)

The Company 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 Listing Manual of the Singapore Exchange Securities Trading Limited.

BY ORDER OF THE BOARD

Serge Pun
Executive Chairman

29 November 2021

Melvyn Pun
Chief Executive Officer