



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

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 MARCH 2022 ("6M-Mar2022")**

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

	Note	The Group	
		6-month period ended	6-month period ended
		31.03.2022 US\$'000	31.03.2021 US\$'000
Revenue	7	36,582	43,949
Cost of sales		(25,953)	(29,535)
Gross profit		10,629	14,414
Other gains		31	2,393
Expenses			
-Administrative		(17,417)	(24,272)
-Finance		(10,348)	(14,867)
Share of losses of joint ventures		(600)	(757)
Share of (losses)/profits of associated companies		(195)	1,970
Loss before income tax	8	(17,900)	(21,119)
Income tax expense	10	(137)	(518)
Net loss		(18,037)	(21,637)
Other Comprehensive (loss)/income:			
Item that may be reclassified subsequently to profit or loss:			
- Currency translation gains/(losses) arising from consolidation		8,021	(13,218)
-Share of other comprehensive (loss)/income of joint ventures		(658)	583
-Share of other comprehensive income/(loss) of associated companies		709	(1,151)
Other comprehensive income/(loss), net of tax		8,072	(13,786)
Items that will not be reclassified subsequently to profit or loss:			
-Currency translation gains/(losses) arising from consolidation		2,259	(4,915)
Total comprehensive loss for the period		(7,706)	(40,338)

(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	6-month period ended
	31.03.2022	31.03.2021
	US\$'000	US\$'000
Net loss attributable to:		
Equity holders of the Company	(14,799)	(19,920)
Non-controlling interests	(3,238)	(1,717)
	(18,037)	(21,637)
Total comprehensive loss attributable to:		
Owners of the Company	(6,727)	(33,706)
Non-controlling interests	(979)	(6,632)
	(7,706)	(40,338)
Loss per share attributable to equity holders of the Company (US cents per share)		
-Basic	(0.67)	(0.90)
-Diluted	*(0.67)	*(0.90)

As at 31 March 2022, there were share options of 13.59 million (31 March 2021: 14.49 million) ordinary shares under the YSH ESOS 2012 and performance share awards of 10.18 million (31 March 2021: 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 31 March 2022 and 31 March 2021 respectively.

Net loss 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	
		31.03.2022 US\$'000	30.09.2021 US\$'000	31.03.2022 US\$'000	30.09.2021 US\$'000
ASSETS					
Current assets					
Cash and bank balances		19,502	27,180	896	697
Trade and other receivables		110,079	109,220	15,743	15,277
Inventories		12,158	12,539	-	-
Development properties		324,428	320,133	-	-
Other assets		51,426	50,611	1,889	1,261
Land development rights		856	821	-	-
		518,449	520,504	18,528	17,235
Non-current assets held for sale		5,057	-	-	-
Assets of disposal group classified as held for sale		32,693	32,795	-	-
		556,199	553,299	18,528	17,235
Non-current assets					
Trade and other receivables		12,099	13,571	-	-
Other assets		1,031	1,071	-	-
Financial assets at fair value through profit or loss		9,295	10,283	-	-
Investments in joint ventures		6,004	7,436	-	-
Investments in associated companies		91,752	91,038	-	-
Investments in subsidiary corporations		-	-	730,853	740,590
Investment properties	14	230,392	228,910	-	-
Property, plant and equipment	13	155,191	159,687	1,564	1,862
Intangible assets	12	20,288	20,658	-	-
Land development rights		142,539	143,448	-	-
		668,591	676,102	732,417	742,452
Total assets		1,224,790	1,229,401	750,945	759,687
LIABILITIES					
Current liabilities					
Trade and other payables		92,336	91,895	5,903	7,927
Current income tax liabilities		5,771	5,911	14	29
Lease liabilities		1,900	2,866	344	343
Borrowings	15	85,921	90,094	30,284	45,780
		185,928	190,766	36,545	54,079
Liabilities directly associated with disposal group classified as held for sale		581	513	-	-
		186,509	191,279	36,545	54,079

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

	Note	The Group		The Company	
		31.03.2022	30.09.2021	31.03.2022	30.09.2021
		US\$'000	US\$'000	US\$'000	US\$'000
Non-current liabilities					
Trade and other payables		1,934	1,918	-	-
Borrowings	15	217,884	262,957	118,156	151,106
Put options to non-controlling interests		36,196	35,107	36,196	35,107
Financial liabilities at fair value through profit or loss		1,015	1,015	1,015	1,015
Shareholders' loans from non-controlling interests		10,383	10,824	-	-
Lease liabilities		43,963	42,236	1,167	1,402
Deferred income tax liabilities		2,606	2,662	-	-
		313,981	356,719	156,534	188,630
Total Liabilities		500,490	547,998	193,079	242,709
NET ASSETS		724,300	681,403	557,866	516,978
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	16	624,890	624,890	624,890	624,890
Perpetual securities	17	79,132	30,000	79,132	30,000
Share option reserve		3,226	3,226	3,226	3,226
Share award reserve		196	130	196	130
Currency translation reserve		(97,816)	(105,888)	-	-
Put options reserve		(36,196)	(35,107)	(36,196)	(35,107)
Accumulated losses		(45,098)	(29,999)	(113,382)	(106,161)
		528,334	487,252	557,866	516,978
Non-controlling interests		195,966	194,151	-	-
Total equity		724,300	681,403	557,866	516,978

(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 2021	624,890	30,000	3,226	130	(105,888)	(35,107)	(29,999)	487,252	194,151	681,403
Employee share awards scheme – value of employee services	-	-	-	66	-	-	-	66	-	66
Additional capital contributions from non-controlling interests	-	-	-	-	-	-	-	-	2,800	2,800
Accretion of imputed interest – put options to non-controlling interests	-	-	-	-	-	(1,089)	-	(1,089)	-	(1,089)
Dividends declared to non-controlling interests	-	-	-	-	-	-	-	-	(6)	(6)
Transfer of borrowings to perpetual securities	-	49,132	-	-	-	-	-	49,132	-	49,132
Perpetual securities distribution for financial period	-	-	-	-	-	-	(300)	(300)	-	(300)
Total comprehensive income loss	-	-	-	-	8,072	-	(14,799)	(6,727)	(979)	(7,706)
At 31 March 2022	624,890	79,132	3,226	196	(97,816)	(36,196)	(45,098)	528,334	195,966	724,300

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

US\$'000										
Attributable to equity holders of the Company										
The Group	Share Capital	Perpetual Securities	Share Option Reserve	Share Award Reserve	Currency Translation Reserve	Put Options Reserve	Retained Profits/ (Accumulated losses)	Total	Non-controlling Interests	Total Equity
At 1 October 2020	624,890	30,000	3,480	20	(16,136)	(33,026)	(9,919)	599,309	194,625	793,934
Employee share awards scheme – value of employee services	-	-	-	60	-	-	-	60	-	60
Accretion of imputed interest – put options to non-controlling interests	-	-	-	-	-	(1,024)	-	(1,024)	-	(1,024)
Equity loan from non-controlling interests	-	-	-	-	-	-	-	-	16,516	16,516
Dividends declared to non-controlling interests	-	-	-	-	-	-	-	-	(4)	(4)
Perpetual securities distribution payable	-	-	-	-	-	-	(300)	(300)	-	(300)
Total comprehensive loss	-	-	-	-	(13,786)	-	(19,920)	(33,706)	(6,632)	(40,338)
At 31 March 2021	624,890	30,000	3,480	80	(29,922)	(34,050)	(30,139)	564,339	204,505	768,844

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 2021	624,890	30,000	3,226	130	(35,107)	(106,161)	516,978
Employee share awards scheme – value of employee services	-	-	-	66	-	-	66
Accretion of imputed interest – put options to non-controlling interests	-	-	-	-	(1,089)	-	(1,089)
Transfer of borrowings to perpetual securities	-	49,132	-	-	-	-	49,132
Perpetual securities distribution for financial period	-	-	-	-	-	(300)	(300)
Total comprehensive loss	-	-	-	-	-	(6,921)	(6,921)
At 31 March 2022	624,890	79,132	3,226	196	(36,196)	(113,382)	557,866
At 1 October 2020	624,890	30,000	3,480	20	(33,026)	(95,604)	529,760
Employee share awards scheme – value of employee services	-	-	-	60	-	-	60
Accretion of imputed interest – put options to non-controlling interests	-	-	-	-	(1,024)	-	(1,024)
Perpetual securities distribution for financial period	-	-	-	-	-	(300)	(300)
Total comprehensive loss	-	-	-	-	-	(9,183)	(9,183)
At 31 March 2021	624,890	30,000	3,480	80	(34,050)	(105,087)	519,313

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

	The Group	
	6-month period ended	
	31.03.2022	31.03.2021
	US\$'000	US\$'000
Cash flows from operating activities:		
Net loss	(18,037)	(21,637)
Adjustments for:		
- Income tax expense	137	518
- Depreciation of property, plant and equipment	5,397	8,804
- Amortisation of intangible assets	318	507
- Write-off of property, plant and equipment	30	185
- Loss/(gain) on disposal of property, plant and equipment	848	(44)
- Loss on disposal of joint venture	110	-
- Fair value loss on investment properties classified as assets held for sale	4,838	-
- Loss on disposal of non current assets held for sale	30	-
- Gain from modification of lease contracts	(6)	(78)
- Gain from derecognition of lease contracts	(7)	-
- Interest income on loan to joint venture	(1,930)	(1,874)
- Interest income on bank deposits	(134)	(62)
- Interest income from trade receivables under instalments	(65)	(17)
- Interest expenses on borrowings	8,234	9,677
- Interest expenses on lease liabilities	1,806	2,041
- Amortised interest on non-current payables	16	16
- Employee share award expenses	66	60
- Share of losses of joint ventures	600	757
- Share of losses/(profits) of associated companies	195	(1,970)
- Unrealised currency translation (gains)/losses	(2,182)	3,850
Operating cash flows before changes in working capital	264	733
Changes in working capital, net of effects from acquisition of subsidiary corporations:		
- Inventories	381	775
- Development properties	807	(3,550)
- Trade and other receivables	2,038	(8,811)
- Land development rights	873	(2,951)
- Trade and other payables	4,522	15,551
- Financial assets at fair value through profit or loss	988	(431)
Cash generated from operations	9,873	1,316
Interest received	199	62
Income tax paid	(473)	(505)
Net cash provided by operating activities	9,599	873

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	The Group	
	6-month period ended	
	31.03.2022	31.03.2021
	US\$'000	US\$'000
Cash flows from investing activities:		
Additions to investment properties	(2,334)	(1,207)
Additions to property, plant and equipment	(1,875)	(17,641)
Additions to development properties intended for investing activities	(3,578)	(20,783)
Proceeds from non current assets held for sale	470	-
Proceeds from disposal of property, plant and equipment	2,449	1,225
Net cash used in investing activities	(4,868)	(38,406)
Cash flows from financing activities:		
Interest paid	(9,804)	(7,639)
Repayment of lease liabilities (including interest paid)	(1,903)	(3,270)
Equity loan from non-controlling interests	2,800	16,516
Proceeds from borrowings	20,244	49,397
Repayment of borrowings	(24,500)	(13,387)
Increase in bank deposits restricted for use	(250)	(1,399)
Net cash (used in)/provided by financing activities	(13,413)	40,218
Net (decrease)/increase in cash and cash equivalents	(8,682)	2,685
Cash and cash equivalents		
Beginning of financial period	26,939	34,712
Effect of currency translation on cash and cash equivalents	807	(943)
End of financial period	19,064	36,454

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

	The Group	
	6-month period ended	
	31.03.2022	31.03.2021
	US\$'000	US\$'000
Cash and bank balances per statements of financial position	19,502	49,123
Add: Cash and bank balances included in assets of disposal group classified as held for sale	208	377
Less: Bank deposits restricted for use	(469)	(13,046)
Less: Bank overdraft	(177)	-
Cash and cash equivalents per consolidated statement of cash flows	19,064	36,454

(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 was 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 six months period ended 31 March 2022 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 months ended 31 March 2022 have been prepared in accordance with the SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore and to be read in conjunction with the Group’s audited financial statements as at and for the period ended 31 September 2021. 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 since the last annual financial statements for the period ended 30 September 2021.

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 2021.

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 costs of 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 revenues and operating expenses, sales growth rates, gross profit margins 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 of disposal 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 the option to extend and/or terminate the lease will be exercised. That is, it considers all relevant factors that create an economic incentive for the exercise of 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 the 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 multiple 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 the 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 31 March 2022.

6. Operating segments

6.1 Business segments

Management has determined the operating segments based on reviews by the Key Management Team who makes 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.

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 other 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 transportation, warehousing 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 and finance 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 31.03.2022								
Revenue								
Total segment sales	12,916	4,409	5,625	2,770	10,676	946	-	37,342
Less: Inter-segment sales	-	(62)	-	(174)	(194)	(330)	-	(760)
Sales to external parties	12,916	4,347	5,625	2,596	10,482	616	-	36,582
Cost of sales	(9,825)	(3,039)	(4,589)	(1,667)	(6,605)	(228)	-	(25,953)
Gross profit	3,091	1,308	1,036	929	3,877	388	-	10,629
Other losses or gains	386	(4,564)	(346)	375	597	810	2,773	31
Expenses:-								
- Administrative	(5,397)	(838)	(1,522)	(917)	(5,459)	(947)	(2,337)	(17,417)
- Finance	(2,297)	(79)	(71)	(29)	(302)	(361)	(7,209)	(10,348)
Share of profits/(losses) of joint ventures	-	-	726	-	-	(1,326)	-	(600)
Share of (losses)/profits of associated companies	(163)	-	-	2,379	(827)	(1,584)	-	(195)
(Loss)/profit before income tax	(4,380)	(4,173)	(177)	2,737	(2,114)	(3,020)	(6,773)	(17,900)
Income tax expense	(295)	(15)	39	141	(7)	-	-	(137)
Net (loss)/profit	(4,675)	(4,188)	(138)	2,878	(2,121)	(3,020)	(6,773)	(18,037)
Interest expense	2,247	79	57	7	302	727	6,637	10,056
Income tax expense	295	15	(39)	(141)	7	-	-	137
Depreciation and amortisation	493	439	686	1,431	2,166	335	165	5,715
Share of (profits)/losses of joint ventures	-	-	(726)	-	-	1,326	-	600
Share of losses/(profits) of associated companies	163	-	-	(2,379)	827	1,584	-	195
Currency translation (gains)/losses, net	495	96	68	(50)	(308)	(92)	(3,176)	(2,967)
Yoma Central Project	2,374	-	-	-	-	-	-	2,374
Core Operating EBITDA	1,392	(3,559)	(92)	1,746	873	860	(3,147)	(1,927)
Net (loss)/profit include:								
- Fair value losses on financial assets at fair value through profit or loss	-	-	-	-	-	(1,217)	-	(1,217)
- Impairment loss on financial assets at amortised cost, net	-	-	(334)	(92)	-	-	-	(426)
- Reversal of impairment loss on financial assets at amortised cost, net	866	99	-	-	-	-	-	965
- Fair value loss on investment properties classified as assets held for sale	-	(4,838)	-	-	-	-	-	(4,838)
Segment assets	674,590	269,967	23,903	78,521	44,498	114,999	18,312	1,224,790
Segment assets includes:								
- Investments in associated companies	31,812	-	-	39,879	3,905	16,156	-	91,752
- Investments in joint ventures	-	-	3,583	-	-	2,421	-	6,004
- Additions to non-current assets	1,336	2,337	99	80	1,065	-	3	4,920
Segment liabilities	185,627	21,234	4,681	3,217	14,278	36,147	235,306	500,490

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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 31.03.2021								
Revenue								
Total segment sales	16,900	4,366	8,523	3,818	10,738	1,213	-	45,558
Less: Inter-segment sales	-	(329)	(127)	(365)	(176)	(612)	-	(1,609)
Sales to external parties	16,900	4,037	8,396	3,453	10,562	601	-	43,949
Cost of sales	(11,676)	(2,094)	(6,922)	(1,683)	(6,997)	(163)	-	(29,535)
Gross profit	5,224	1,943	1,474	1,770	3,565	438	-	14,414
Other losses or gains	893	188	(400)	(430)	(624)	2,502	264	2,393
Expenses:-								
- Administrative	(5,094)	(967)	(2,829)	(1,163)	(8,596)	(1,273)	(4,350)	(24,272)
- Finance	(2,273)	(109)	(121)	(249)	(590)	(1,702)	(9,823)	(14,867)
Share of profits/(losses) of joint ventures	-	-	672	-	(4)	(1,425)	-	(757)
Share of (losses)/profits of associated companies	(233)	-	-	3,955	(465)	(1,287)	-	1,970
(Loss)/profit before income tax	(1,483)	1,055	(1,204)	3,883	(6,714)	(2,747)	(13,909)	(21,119)
Income tax expense	(415)	(208)	7	(124)	(6)	-	228	(518)
Net (loss)/profit	(1,898)	847	(1,197)	3,759	(6,720)	(2,747)	(13,681)	(21,637)
Interest expense	2,179	109	78	231	590	877	7,670	11,734
Income tax expense	415	208	(7)	124	6	-	(228)	518
Depreciation and amortisation	820	444	1,090	1,590	4,548	635	184	9,311
Share of (profits)/losses of joint ventures	-	-	(672)	-	4	1,425	-	757
Share of losses/(profits) of associated companies	233	-	-	(3,955)	465	1,287	-	(1,970)
Currency translation (gains)/losses, net	(1,297)	150	357	94	762	399	1,233	1,698
Yoma Central Project	718	-	-	-	-	-	-	718
Core Operating EBITDA	1,170	1,758	(351)	1,843	(345)	1,876	(4,822)	1,129

Net profit include:

- Fair value gain on financial assets at fair value through profit or loss

-	-	-	-	-	4	-	4
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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 and finance 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 and the provision of project management, design and estate management services; the sale of automotive and heavy equipment products; the operation of restaurants, the bottling and distribution of beverages and the development of transportation, warehousing and logistics services; and the leasing of motor vehicles and equipment 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		Non-current assets	
	6-month period ended		Period ended	
	31.03.2022	31.03.2021	31.03.2022	30.09.2021
	US\$'000	US\$'000	US\$'000	US\$'000
Singapore/Myanmar	-	-	97,116	98,935
Myanmar	36,185	43,611	571,475	577,167
People's Republic of China	397	338	-	-
Total	36,582	43,949	668,591	676,102

7. Revenue

	The Group	
	6-month period ended	
	31.03.2022	31.03.2021
	US\$'000	US\$'000
Revenue from contracts with customers	31,670	37,981
Leasing income from investment properties	2,317	2,515
Leasing income from motor vehicles	1,837	2,294
Interest income from finance leases	758	1,159
	36,582	43,949

8. Loss before income tax

	The Group	
	6-month period ended	
	31.03.2022	31.03.2021
	US\$'000	US\$'000
Significant items:-		
Amortisation of intangible assets	318	507
Depreciation of property, plant and equipment	5,397	8,804
Write-off of property, plant and equipment	30	185
Employee share award expenses	66	60
Fair value losses/(gains) on financial assets at fair value through profit or loss	1,217	(4)
Loss/(gain) on disposal of property, plant and equipment	848	(44)
Loss on disposal of joint venture	110	-
Impairment loss on financial assets at amortised cost, net	426	-
Reversal of impairment loss on financial assets at amortised cost, net	(965)	-
Fair value loss on investment properties classified as assets held for sale	4,838	-
Loss on disposal of non current assets held for sale	30	-
Interest income on loan to joint venture	(1,930)	(1,874)
Interest income on bank deposits	(134)	(62)
Interest income from trade receivables under instalments	(65)	(17)
Interest expense on borrowings	8,234	9,677
Interest expense on leases liabilities	1,806	2,041
Currency translation (gains)/losses on borrowings, net	(801)	2,079
Currency translation gains, net	(2,166)	(381)

9. Related party transactions

The following transactions took place between the Group and its related parties on terms agreed between the parties during the relevant financial period. The balances arising from the sale/purchase of goods and services are unsecured and receivable/payable within 6 months from the reporting date.

	The Group	
	6-month period ended	
	31.03.2022	31.03.2021
	US\$'000	US\$'000
<i>With a common controlling shareholder and entities related thereof</i>		
Sales	381	548
Purchases	707	965
Treasury transactions*	12,180	16,450
Financial guarantee to Yoma Bank [^]	61	2,313
Performance guarantee charges	129	129
Prepayments for supply of crops	45	119
Advance rental received	3,135	4,036
<hr/>		
<i>With joint ventures</i>		
Sales	65	84
Purchases	29	520
Construction costs	1,000	32,339
Other service income	424	337
<hr/>		
<i>With associated companies</i>		
Sales	52	134
Purchases	10	27
<hr/>		

* 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.

[^] 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	
	31.03.2022	31.03.2021
	US\$'000	US\$'000
Current income tax for the period	193	574
Deferred income tax	(56)	(56)
Total	137	518
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11. Net Asset Value

	The Group		The Company	
	31.03.2022 US\$'000	30.09.2021 US\$'000	31.03.2022 US\$'000	30.09.2021 US\$'000
Net asset attributable to the owners of the Company as at the respective balance sheet dates	528,334	487,252	557,866	516,978
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)	23.61	21.78	24.93	23.11

12. Intangible assets

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

	The Group	
	31.03.2022 US\$'000	30.09.2021 US\$'000
Composition:		
Agriculture operating rights (note a)	-	-
Golf estate operating rights	9,613	9,826
Distributor licence	877	1,034
Trademark (note b)	1,766	1,766
Goodwill (note c)	8,032	8,032
	20,288	20,658

	Agriculture operating rights US\$'000	Golf estate operating rights US\$'000	Distributor licence US\$'000	Trademark US\$'000	Goodwill US\$'000	Total US\$'000
The Group						
Cost						
As at 1 October 2020	10,656	11,782	3,096	1,766	8,788	36,088
Currency translation differences	173	186	-	-	-	359
As at 30 September 2021	10,829	11,968	3,096	1,766	8,788	36,447
Currency translation differences	-	(65)	-	-	-	(65)
As at 31 March 2022	10,829	11,903	3,096	1,766	8,788	36,382
Accumulated amortisation/impairment						
As at 1 October 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
Amortisation charge	-	160	157	-	-	317
Currency translation differences	-	(12)	-	-	-	(12)
As at 31 March 2022	10,829	2,290	2,219	-	756	16,094
Net Book Value						
As at 30 September 2021	-	9,826	1,034	1,766	8,032	20,658
As at 31 March 2022	-	9,613	877	1,766	8,032	20,288

(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. In the financial year ended 30 September 2021, the Group performed an impairment test and provided an impairment loss of US\$3,731,000 to fully write off the carrying amount due to the absence of revenue being generated and continuous losses in the 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 the trademarks based on a value-in-use calculation alongside with the assessment of recoverable on goodwill from the food and beverage business. Based on the assessment, the recoverable amount of the trademarks exceeded the carrying amount and no impairment is 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	
	31.03.2022	30.09.2021
	US\$'000	US\$'000
Restaurant	8,032	8,032

13. Property, plant and equipment

During the six months ended 31 March 2022, the Group acquired assets amounting to US\$2.58 million (30 September 2021: US\$21.43 million) and disposed of assets with a net book value of US\$3.33 million (30 September 2021: US\$7.98 million). The additions arising from right-of-use-assets was US\$0.78 million (30 September 2021: US\$0.51 million).

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

- utilisation of the prior financial year’s prepayments totalling to US\$3.09 million in 30 September 2021; and
- right-of-use assets with lease liabilities of US\$0.71 million (30 September 2021: US\$0.46 million).

14. Investment properties

	The Group	
	31.03.2022	30.09.2021
	US\$'000	US\$'000
Beginning balance	228,910	273,379
Movements:		
Subsequent expenditure on investment properties	2,334	2,593
Transfer from development properties	-	150
Transfer to non-current assets held for sale	(10,411)	-
Net fair value losses recognised in profit or loss	-	41,405
Currency translation differences	9,559	(88,617)
Ending balance	230,392	228,910

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 and are adjusted for differences in key attributes such as location, property size and age.

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

15. Borrowings

	<u>The Group</u>		<u>The Company</u>	
	31.03.2022	30.09.2021	31.03.2022	30.09.2021
	US\$'000	US\$'000	US\$'000	US\$'000
Amount repayable within one year or on demand				
Secured	73,132	64,055	28,107	27,443
Unsecured	12,789	26,039	2,177	18,337
Amount repayable after one year				
Secured	196,204	198,078	102,656	94,679
Unsecured	21,680	64,879	15,500	56,427
Borrowings are analysed as:				
Secured	269,336	262,133	130,763	122,122
Unsecured	34,469	90,918	17,677	74,764
	303,805	353,051	148,440	196,886

Total borrowings as at 31 March 2022 of US\$303.81 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. and the Asian Development Bank, 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.

The Group has secured extensions to the repayment schedules for certain loan facilities and discussions with Lenders on the covenant framework remain ongoing for certain loan facilities.

As at 31 March 2022 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			
	31.03.2022	30.09.2021	31.03.2022	30.09.2021
Issued and paid:	Number of ordinary shares		US\$'000	
At the beginning and end of the year	2,237,469,260	2,237,469,260	624,890	624,890

Employee Shares Option Scheme ("YSH ESOS 2012")

As at 31 March 2022, the total outstanding share options granted under the YSH ESOS 2012 were for 13.59 million (30 September 2021: 13.59 million) ordinary shares.

Performance Share Plan ("Yoma PSP")

During the six-month period ended 31 March 2022, the Company granted new awards comprising 1.25 million ordinary shares to certain Directors of the Company under the Yoma PSP. As at 31 March 2022, the total number of ordinary shares awarded under the Yoma PSP was 10.18 million (30 September 2021: 8.93 million).

Treasury shares

The Company did not have any treasury shares as at 31 March 2022. The Company's subsidiaries did not hold any shares in the Company as at 31 March 2022 and 30 September 2021.

Total number of issued shares

The total number of issued shares of the Company remained at 2,237,469,260 as at 31 March 2022 and 30 September 2021.

17. Perpetual securities

	<u>The Group</u>		<u>The Company</u>	
	31.03.2022	30.09.2021	31.03.2022	30.09.2021
	US\$'000	US\$'000	US\$'000	US\$'000
Beginning of financial year	30,000	30,000	30,000	30,000
Transfer of borrowings to perpetual securities	49,132	-	49,132	-
End of financial year	79,132	30,000	79,132	30,000

In December 2021, the Company entered into a Restructured Loan Agreement ("RLA") with VIP Infrastructure Holdings Pte Ltd ("VIP Infrastructure"). Pursuant to the RLA, the Company has assessed that it has no contractual obligations to repay the principal or to pay any distributions to VIP Infrastructure and accordingly, an amount of US\$49.13 million was reclassified from borrowings to perpetual securities in accordance with SFRS(I) 1-32 Financial Instruments: Disclosure and Presentation.

18. Categories of financial assets and financial liabilities

	The Group		The Company	
	31.03.2022 US\$'000	30.09.2021 US\$'000	31.03.2022 US\$'000	30.09.2021 US\$'000
Financial assets:-				
At amortised cost	142,447	150,799	16,758	16,094
At fair value through profit or loss	9,295	10,283	-	-
	151,742	161,082	16,758	16,094
Financial liabilities:-				
At amortised cost	444,650	493,555	155,853	206,558
Put options to non-controlling interests	36,196	35,107	36,196	35,107
At fair value through profit or loss	1,015	1,015	1,015	1,015
	481,861	529,677	193,064	242,680

19. 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 half year consolidated statement of financial position of Yoma Strategic Holdings Ltd. and its subsidiaries as at 31 March 2022 and the related condensed interim consolidated statement of 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 first half year ended 31 March 2022 and the 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

The Group's total revenue in the six-month period ended 31 March 2022 ("6M-Mar2022") decreased by 16.8% to US\$36.58 million as compared to US\$43.95 million in the six-month period ended 31 March 2021 ("6M-Mar2021") which was mainly due to the suspension of the Group's Yoma Central project under Yoma Land Development and the decline in revenue at Yoma Motors. Set out below is the breakdown of revenue by business segment:

	6M-Mar2022		6M-Mar2021	
	US\$'million	As a percentage of total revenue	US\$'million	As a percentage of total revenue
Yoma Land Development	12.92	35.3%	16.90	38.5%
Yoma Land Services	4.34	11.9%	4.04	9.2%
Yoma Motors	5.62	15.4%	8.40	19.1%
Yoma Financial Services	2.60	7.1%	3.45	7.8%
Yoma F&B	10.48	28.6%	10.56	24.0%
Investments	0.62	1.7%	0.60	1.4%
Total	36.58	100.0%	43.95	100.0%

Revenue generated from the Yoma Land Development segment decreased to US\$12.92 million in 6M-Mar2022 as compared to US\$16.90 million in 6M-Mar2021. This decrease was mainly due to no revenue being recognised in 6M-Mar2022 from Yoma Central as a result of the project's suspension as compared to US\$5.55 million recognised in 6M-Mar2021. Revenue at Pun Hlaing Estate ("PHE") and StarCity increased by 13.8% in 6M-Mar2022 as compared to 6M-Mar2021 which was mainly due to the increase in revenue generated from Star Villas with most units nearing construction completion. As at 31 March 2022, the unrecognised revenue for units sold at StarCity, including both City Loft and Star Villas, amounted to approximately US\$7.22 million. For reference, 805 City Loft units have been sold or booked out of 931 units launched and 31 Star Villas units have been sold or booked out of 32 units launched as of 31 March 2022.

Real estate services revenue in 6M-Mar2022 increased by 7.4% to US\$4.34 million as compared to US\$4.04 million in 6M-Mar2021. Revenue from this segment comprised mainly of leasing revenue from the Group's investment properties in Myanmar, estate management fees generated at StarCity and PHE and operator fee income from Pun Hlaing Golf and Country Club. In 6M-Mar2022, commercial leasing revenue increased as the Group completed the conversion of the StarCity Dulwich campus into an office building and the previously secured tenant commenced paying rent. This increase was partially offset by the decline in residential leasing revenue in 6M-Mar2022 primarily as a result of reduced rental rates at StarCity and PHE.

Revenue from the Group's Yoma Motors segment decreased by 33.1% to US\$5.62 million in 6M-Mar2022 as compared to US\$8.40 million in 6M-Mar2021. Revenue from New Holland tractors decreased in 6M-Mar2022 mainly due to the absence of government tenders, lower demand as a result of disruptions to hire purchase financing arrangements provided by local banks to end customers and showroom closures. This was partially offset by an increase in New Holland generator and JCB equipment sales as a result of the recent power outages and competitive pricing at JCB to clear inventory. Similarly, revenue from the automotive division also decreased in 3M-Mar2022 due to limited supply following import restrictions.

Financial services revenue was generated by Yoma Fleet, which is in the vehicle and equipment leasing and rental business. Revenue in 6M-Mar2022 decreased to US\$2.60 million as compared to US\$3.45 million in 6M-Mar2021. The decrease was

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mainly due to a drop in third-party asset under management (“AUM”) and also reflected early lease terminations and contract renewals and extensions at lower rates. The decrease was partially offset by higher demand for daily rental vehicles. Third party AUM stood at US\$40.48 million as of 31 March 2022.

The Group recorded a similar level of revenue of US\$10.48 million in its Yoma F&B segment in 6M-Mar2022 as compared to US\$10.56 million in 6M-Mar2021. Revenue at the KFC and YKKO restaurants business has been recovering in the past few months as consumer demand returned due to fewer operational disruptions and successful marketing campaigns.

Gross profit margin of 29.1% in 6M-Mar2022 was lower than the 32.8% recorded in 6M-Mar2021. The decrease was mainly due to lower margins at the real estate services segment, where the Star Residences units were sold at carrying amounts, and at the financial services segment, where operating leases (which have lower gross profit margins as compared to finance leases) comprised a higher proportion of revenue in 6M-Mar2022 as compared to 6M-Mar2021.

Other gains in 6M-Mar2022 was lower at US\$0.03 million as compared to US\$2.39 million in 6M-Mar2021. Included in other gains for 6M-Mar2022 was an estimated impairment loss of US\$4.84 million on the Group’s investment properties as they were prepared for sale. Investment properties are carried at fair value based on the properties’ highest and best use. When performing the impairment test, the Group estimated the carrying value of the investment properties and took into consideration factors such as the original cost of the properties, the timing of cash inflows and the value added to StarCity’s ancillary businesses due to the increase in residents. This impairment loss was partially offset by other gains of US\$2.17 million that was mainly due to realized foreign exchange gains on USD/MMK conversions.

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

The Group		
US\$’million		
6-month period ended		
	31.03.2022	31.03.2021
Interest expenses on borrowings	8.25	9.69
Interest expenses on lease liabilities	1.81	2.04
Finance fee	1.09	1.06
Currency translation (gain)/loss on borrowings, net	(0.80)	2.08
	10.35	14.87

Interest expenses on borrowings decreased in 6M-Mar2022 as compared to 6M-Mar2021 mainly due to lower average borrowings during 6M-Mar2022 as compared to 6M-Mar2021. A currency translation gain on borrowings was recorded in 6M-Mar2022 mainly due to the strengthening of USD against THB and weakening of USD against MMK in this period.

Administrative expenses stood 28.2% lower at US\$17.42 million in 6M-Mar2022 as compared to US\$24.27 million in 6M-Mar2021. 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 achieved through salary reductions and lower headcount and reduced depreciation and rental expenses, particularly at the Yoma F&B segment due to permanent restaurant closures.

The Group recorded a lower share of losses of joint ventures of US\$0.60 million in 6M-Mar2022 as compared to a share of losses of US\$0.76 million in 6M-Mar2021. This decrease in the share of losses was mainly due to lower losses at Yoma Micro Power where borrowing costs charged to the profit and loss declined and higher profit at Mitsubishi Motors where MMK selling prices were higher due to the appreciation of USD.

In 6M-Mar2022, the Group recognised a share of losses of associated companies of US\$0.20 million as compared to a share of profits of US\$1.97 million in 6M-Mar2021. The decline was mainly due to a lower share of profits from Wave Money in 6M-Mar2022. As explained previously, 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. While Wave Money has seen a recovery in its business since June 2021, the results were still lower than that of 6M-Mar2021. In addition, Memories Group and Seagram MM recorded higher losses in their 6M-Mar2022 results where revenue was lower and currency translation losses were higher than in 6M-Mar2021.

As a result of the above, the Group recorded a lower net loss attributable to equity holders of the Company of US\$14.80 million in 6M-Mar2022 as compared to US\$19.92 million in 6M-Mar2021.

Review of Financial Position

Net assets attributable to equity holders of the Company increased to US\$528.33 million as at 31 March 2022 as compared to US\$487.25 million as at 30 September 2021. As announced in December 2021, the Group completed the Restructured Loan Agreement with Ayala, and accordingly, the shareholder loan and accrued interest amounting to US\$49.13 million was recorded as perpetual securities within the Group's equity and resulted in an increase in the Group's net assets.

Current assets increased slightly and stood at US\$518.45 million as at 31 March 2022 as compared to US\$520.50 million. Current assets comprised mainly development properties and trade and other receivables. The majority of development properties relates to the Yoma Central project, which totaled US\$281.42 million as at 31 March 2022.

Non-current assets held for sale of US\$5.06 million as at 31 March 2022 referred to certain units of investment properties that the Group had launched for sale. In connection with the transfer from investment properties, the Group recognised an impairment loss of US\$4.84 million which was included in "Other gains".

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, China which are held through the Group's subsidiaries, Wayville Investments Limited and Xun Xiang (Dalian) Enterprise Co., Ltd.

Non-current assets decreased slightly from US\$676.10 million as at 30 September 2021 to US\$668.59 million as at 31 March 2022. The major movements in non-current assets came from (i) decrease in investment properties due to the transfer of certain units to non-current assets held for sale; and (ii) decrease in property, plant and equipment mainly due to Yoma Fleet disposing its vehicles from terminated and expired operating leases.

Current liabilities as at 31 March 2022 were US\$185.93 million as compared to US\$190.77 million as at 30 September 2021. The decrease was mainly due to the repayment of certain current borrowings and the reduction of current lease liabilities due to store closure and classification to non-current lease liabilities after restructuring of certain leases.

Non-current liabilities stood at US\$313.98 million as at 31 March 2022 as compared to US\$356.72 million as at 30 September 2021. Non-current liabilities were mainly made up of borrowings and long-term lease liabilities. The reduction was mainly due to the reclassification of the shareholder loan with Ayala to perpetual securities within equity as explained in the paragraphs above.

Review of Statement of Cashflow

Cash and bank balances stood at US\$19.50 million as at 31 March 2022 as compared to US\$27.18 million as at 30 September 2021. Included in the cash and bank balances as at 31 March 2022 were bank balances amounting to US\$0.47 million (30 September 2021: US\$0.22 million) which were restricted for use in debt service reserve accounts in relation to certain loans. In 6M-Mar2022, cash generated from operating activities increased to US\$9.60 million as compared to US\$0.87 million in 6M-Mar2021 mainly due to the Group's continuous effort to control costs and its strategy to derive cash generating opportunities from its current assets. Net cashflow used in investing activities decreased from US\$38.41 million in 6M-Mar2021 to US\$4.87 million in 6M-Mar2022 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 used in financing activities in 6M-Mar2022 was US\$13.41 million which was mainly interest payments and loan repayments, while in 6M-Mar2021 the Group received net financing cashflow of US\$40.22 million which comprised mainly of proceeds from the Ayala shareholder loan (that was subsequently restructured as perpetual securities).

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.

Myanmar has largely recovered from the latest surge of the omicron variant of COVID-19 with substantially fewer COVID-19 cases reported. The Myanmar government recently reopened the country to international travel and announced the lifting of temporary measures to prevent importation of COVID-19 through air travel (<https://tourism.gov.mm/covid-19/>) in a bid to bolster international tourism and engage international business communities. With over 99% of the Group's employees having been vaccinated, the operational disruptions to the Group's businesses from COVID-19 have subsided and the majority of infected staff have been able to return to work within a few days. While the Group will continue to take preventive measures and plan for future spikes of COVID-19 in Myanmar, the focus has firmly shifted towards operational improvements and capturing business opportunities.

The Group's flagship residential estates – StarCity and Pun Hlaing Estate – continue to attract healthy demand for both sales and rentals. These activities benefit from the recognised level of service, amenities and security provided by both estates, as well as the demand to invest and store wealth in hard assets. The Group will further recognise revenue in the coming quarters from units that have previously been sold at City Loft @ StarCity and Star Villas in FY2023. Furthermore, as part of a portfolio shift at StarCity and to ensure business sustainability, the Group has also elected to convert Star Residence^[1] @ StarCity, which were previously available for rental, into units for sale. It launched the first 50 units in March 2022 and has since booked and sold more than half of these units which reflects the demand for properties at StarCity.

Wave Money continues its recovery from the disruptions of 2021 with digital transaction volumes hitting a record high. In January 2022^[2], the Group entered into an agreement with Telenor to acquire its 51% stake in Wave Money. The Group is working on the necessary regulatory approvals to complete the transaction in due course.

In addition to the acquisition of the Mitsubishi Motors business which was announced in April 2022, the Group recently entered into an agreement with Sumitomo Corporation ("Sumitomo") to acquire the remaining 76.8% of shares in Summit SPA Motors Ltd ("SSM") currently owned by Sumitomo. SSM is the importer and distributor for commercial vehicles and spare parts of Hino Motors. The transaction is currently pending regulatory approvals, and upon completion SSM will become a wholly-owned subsidiary of the Group. These two transactions will enable the Group to further control the brand portfolio under its Yoma Motors platform and achieve synergies in terms of operational costs, human resources and customer network.

The Central Bank of Myanmar has implemented a number of new foreign exchange notifications and directives in recent weeks related to the conversion of foreign currency into MMK with certain exemptions. The Group is assessing the impact of these directives and will continue to manage its currency exposure proactively in view of the general shortage of USD in the market.

The Company will continue to provide updates on any material impact on its businesses.

5. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

In light of the Group's results for 6M-Mar2022, the Board has reviewed and recommended no dividend for 6M-Mar2022.

(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.

^[1] There is a total of 150 units in Star Residence @ StarCity.

^[2] Please refer to the Company's announcement dated 17 January 2022 for information on the acquisition. The Company will make further announcements as and when appropriate.

(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
28 February 2022	First Japan Tire Services Company Limited	Associated Company	Disposed	US\$705,536	Automotive & Heavy Equipment – Distribution activities	Myanmar

Change of Company Name of Wholly-Owned Subsidiary

The Company's wholly-owned subsidiary, Convenience Prosperity Company Limited has changed its name to "Yoma Heavy Equipment Company Limited" with effect from 22 March 2022.

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 6M-Mar2022 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions during 6M-Mar2022 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
		US\$'000	US\$'000
General Transactions			
(a) First Myanmar Investment Public Company Limited	Associates of Mr. Serge Pun, Executive Chairman	-	56
(b) Hlaing River Golf & Country Club Co., Ltd		-	170
(c) JJ-Pun Trading Company Limited		-	46
(d) Myanmar Agri-Tech Ltd		-	66
(e) Pun Hlaing International Hospital Limited		-	76
(f) Serge Pun & Associates (Myanmar) Ltd		-	54
(g) Yoma Bank Limited		-	250
(h) Yangon Nominees Ltd		-	21
(i) Memories Group Limited		-	10

(j) SPA Assets Management Limited		-	299
<u>Treasury Transactions</u>			
(a) Yoma Bank Limited (excluding Meeyahtha Development Limited)	Associate of Mr. Serge Pun, Executive Chairman	-	9,820
(b) Yoma Bank Limited (comprising only Meeyahtha Development Limited)		-	2,360
<u>Performance Guarantee Fee Transaction</u>			
(a) Yoma Bank Limited	Associate of Mr. Serge Pun, Executive Chairman	129	-
<u>Loan Interest Expenses Transaction</u>			
(a) FMI Industrial Investment Company Limited	Associate of Mr. Serge Pun, Executive Chairman	270	-

8. Negative assurance on Interim Financial Statements

We, Serge Pun and Melvyn Pun, being the Directors of the Company, do hereby confirm for and on behalf of the Board of Directors that, to the best of our knowledge, nothing has come to our attention which may render the financial results for the six-month period ended 31 March 2022 to be false or misleading in any material aspect.

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

Melvyn Pun
Chief Executive Officer

13 May 2022