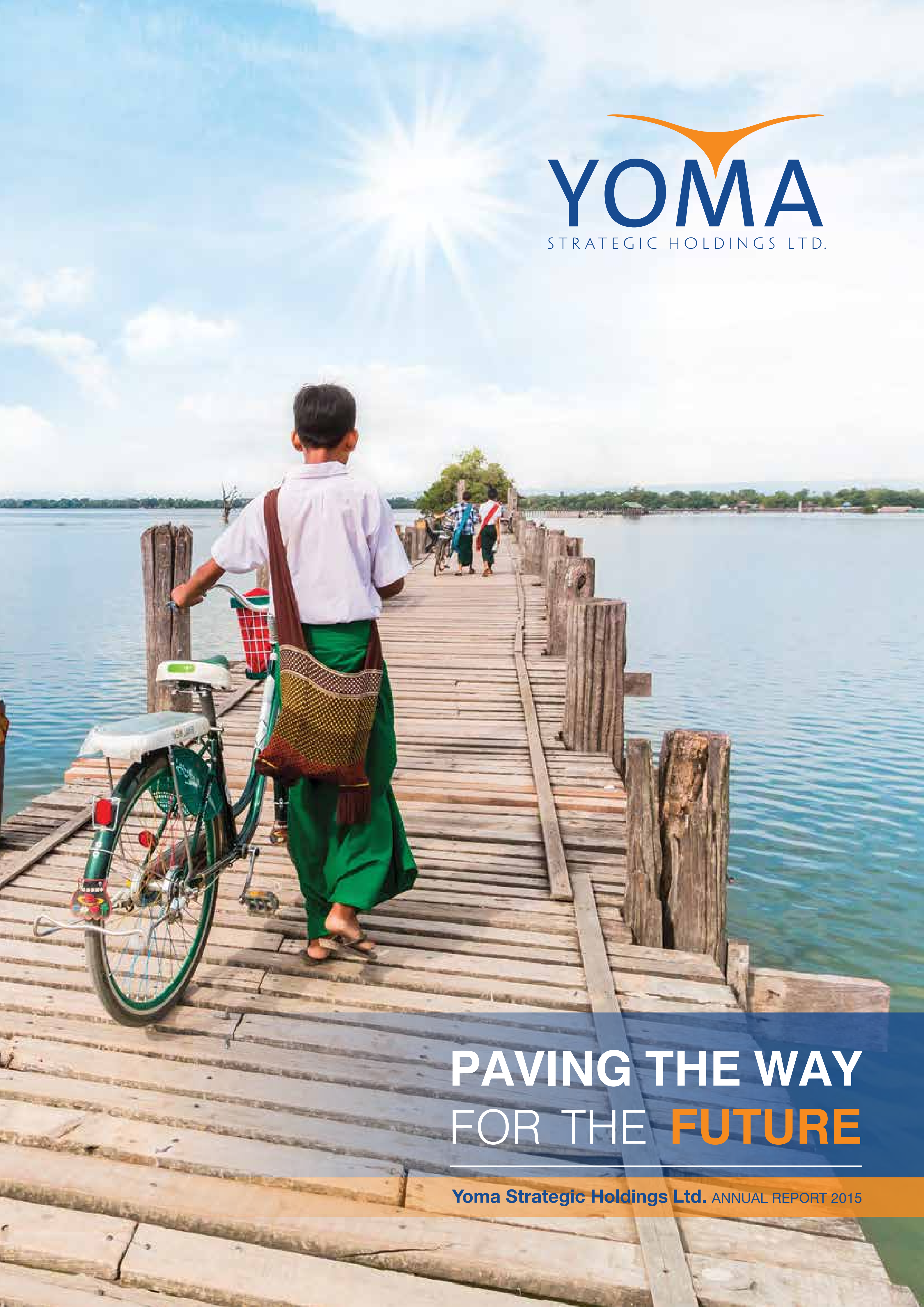
YOMA
STRATEGIC HOLDINGS LTD.



PAVING THE WAY FOR THE FUTURE

Yoma Strategic Holdings Ltd. ANNUAL REPORT 2015

CONTENTS

CORPORATE PROFILE

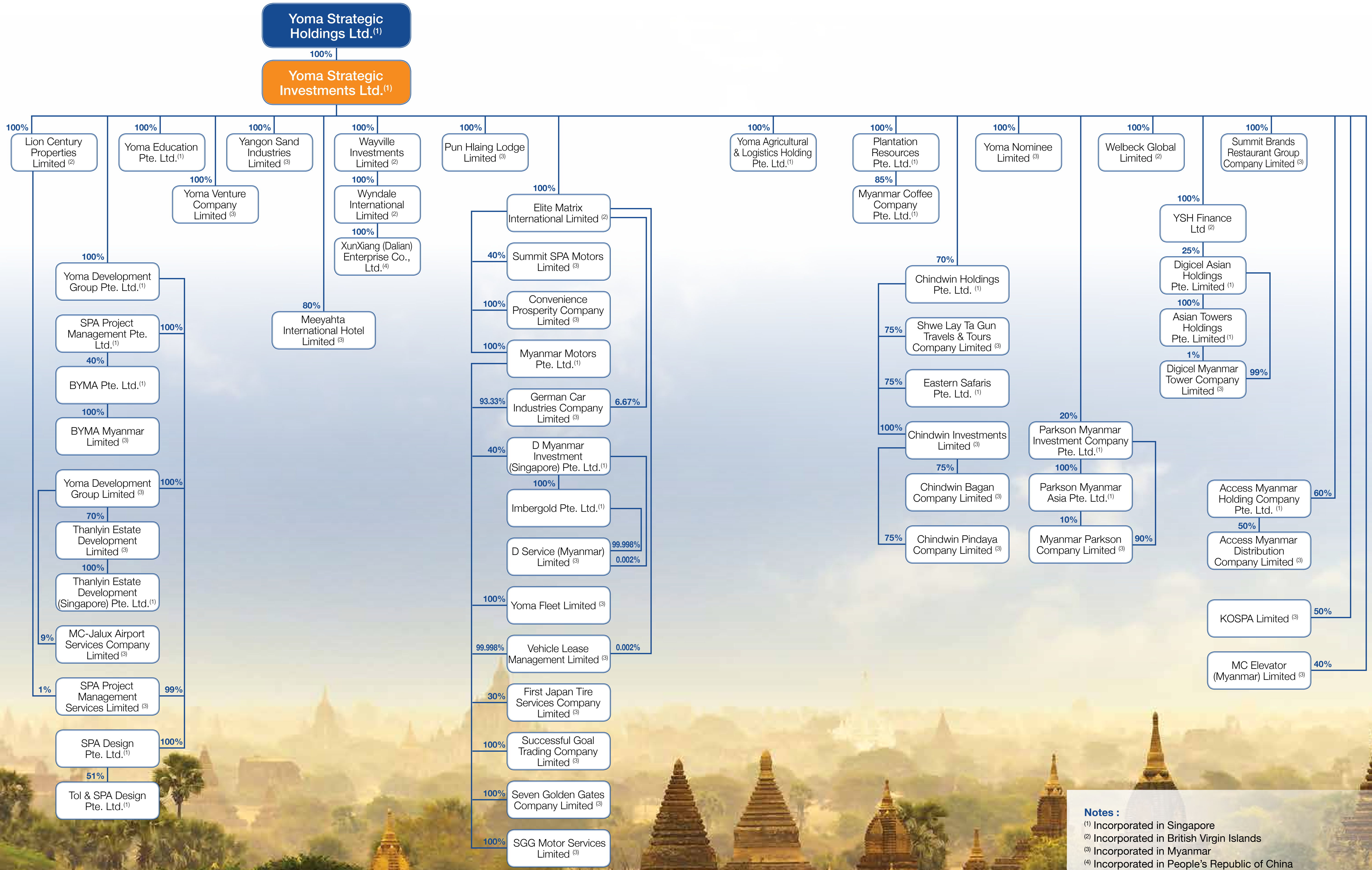
Yoma Strategic Holdings Ltd. ("Yoma Strategic", the "Company", or collectively with its subsidiaries, the "Group") was listed on the Mainboard of the Singapore Exchange ("SGX") in 2006 and has established itself as one of the leading real estate developers in Myanmar with a reputation for high quality housing projects in the country. The Company is affiliated to Serge Pun & Associates (Myanmar) Limited ("SPA") and First Myanmar Investment Co., Ltd. ("FMI") in Myanmar.

Adopting a conglomerate strategy, Yoma Strategic strives to build a portfolio of businesses in Myanmar through business expansion and cooperation with the SPA group and FMI. In addition to its strong foothold in the real estate market, Yoma Strategic's diversified portfolio includes consumer, automotive, agriculture & logistics and tourism businesses. The Company has also made several investments in infrastructure-related sectors together with established multinational partners.

Leveraging on its experience in Myanmar and its strong emphasis on corporate governance, the Group has forged strategic alliances with international partners such as Mitsubishi Corporation, Sumitomo Corporation, Hongkong and Shanghai Hotels, Yum! Brands, the International Finance Corporation ("IFC") and the Asian Development Bank ("ADB"). These partnerships provide invaluable expertise, add to the Group's capacity to execute its business strategy and continue to ensure that the Group's projects are of international standards.

CORPORATE STRUCTURE

As at 30 June 2015



Notes :
(1) Incorporated in Singapore
(2) Incorporated in British Virgin Islands
(3) Incorporated in Myanmar
(4) Incorporated in People's Republic of China

PUN HLAING GOLF ESTATE

The Pride of Myanmar

The Pun Hlaing Golf Estate ("PHGE"), which is bordered on two sides by the Hlaing and Pan Hlaing rivers, is a beautifully landscaped oasis of luxury estate homes. It comes with spectacular scenic views at every turn of its 18-hole Gary Player signature golf course and views of the Shwedagon Pagoda. This 652-acre master-planned gated community offers a unique world-class housing option to Myanmar citizens and expatriates.

The Group has always been committed to offering an international standard of living at PHGE. The residents of PHGE enjoy and benefit from round-the-clock security, electricity and water within the gated community. More recently, PHGE became the first real estate development in Myanmar to have its own Hyflux water treatment plant, which aims to deliver high quality drinking water straight to the taps of residents of the estate.

In February 2015, the Group acquired the economic interests to additional land development rights ("LDRs") in respect of approximately 1.4 million square feet of to cater for more residential and commercial developments, 0.5 million square feet for school developments, and the rights to operate the PHGE Golf and Country Club within the estate. With this acquisition, the Group now has economic interests in approximately 6.7 million square feet of contiguous LDRs which can be developed into an exclusive, low to medium density integrated development, with amenities like retail and commercial space, an international school and a hotel which is currently under construction. The new amenities will complement the PHGE Golf and Country Club and Pun Hlaing Siloam Hospital, which is an international hospital jointly owned by FMI and the Lippo Group from Indonesia.

PHGE has today become a popular housing rental option for expatriates and the Group has retained a 16-unit apartment block in PHGE as well as a number of houses as investment properties to cater to this demand. All units have been leased out[1].

Yoma Strategic holds a 100% economic interest in the completed property developments in PHGE, a 70% economic interest in approximately 5.5 million square feet of LDRs and 100% economic interest in approximately 1.2 million square feet of LDRs.

[1] As at 31 March 2015

STAR CITY
Thanlyin


Artist's Impression


Artist's Impression


Artist's Impression

The Star of Yangon

Located along the shore of the Bago river, Star City is a 135-acre residential development located in the Thanlyin Township. Once fully completed, Star City will comprise approximately 9,000 apartments and approximately 1.7 million square feet of commercial area and is designed as a self-sufficient enclave i.e. a community within a community.

Targeting the middle to upper-income market segments, close to 2,000 apartments in Star City have been sold as at end of FY2015[1]. To cater to the growing rental demand, the Group has also retained 150 apartments at Star City's Zone A for rental income, of which 100 apartments have been leased out[2].

Galaxy Towers is the third phase of Star City that has been launched for sale. It will feature 954 apartments within six condominium blocks of between 25 and 28 storeys with sizes ranging from 728 to 2,200 square feet for its one to four-bedroom apartments[3]. The construction of Galaxy Towers has commenced and is expected to be completed by 2017.

Residents of Star City will be able to enjoy an array of amenities which are managed by a professional estate management team. Galaxy Towers will have a clubhouse that features a gym, pool, kid's club, spa and rooftop bar, which will complement the existing recreation complex and a range of retail shops and restaurants within the estate. Shuttle bus services to downtown Yangon, round the clock security and cleaning services are also provided to residents of Star City to ensure that their needs are well taken care of.

Star City will also be a primary beneficiary of the upcoming Thilawa Special Economic Zone ("SEZ") as Star City is the only large scale residential development in the SEZ's vicinity. The Thilawa SEZ is a 2,400-hectare project in the Yangon region which the Myanmar government has demarcated as an industrial park and is expected to attract industrial investments from local and multinational corporations with various tax and commercial incentives under the 2014 Myanmar Special Economic Zone Law.

Yoma Strategic holds a 70% economic interest in the LDRs in Star City[4].

[1] Including Zone A Buildings A1 and A2
[2] As at 22 May 2015
[3] Based on the latest development plan and subject to change
[4] Excluding Zone A Buildings A1 and A2

Building the Future Yangon Cityscape

Located opposite Sule Shangri-La hotel and the Sakura Tower and adjacent to the famous tourist destination of Bogyoke Aung San Market, the Landmark Development project is at the heart of the downtown Yangon business district. The prime site currently hosts FMI Centre, the Grand Meeyahta Residences (which ceased operations in October 2013) and one of Yangon's most famous heritage buildings, the former Burma Railway Company Headquarters, which was built in 1877.

The 10-acre Landmark Development site will accommodate approximately two million square feet gross floor area of mixed-use development. On 2 February 2015, the Company completed its acquisition of 80% interest in the Landmark Development site. Further, the Group had on 10 March 2015 received written approval from the Myanmar Investment Commission on the extension of the lease to redevelop the former Burma Railways Company Headquarters into a five star hotel as a Build-Operate-Transfer project.

As announced, the Company intends to restore the heritage building into the Yangon Peninsula Hotel, while the remaining existing structures will be demolished to be redeveloped into a luxury residential condominium tower, serviced apartment building and business hotel complemented by two office towers, a retail podium and an underground carpark[1].

The Group will be working with its partners, which include Hongkong and Shanghai Hotels, Mitsubishi Corporation, Mitsubishi Estate, IFC and ADB, on this iconic project, which is likely to become the focal point of Yangon's downtown business district. Subject to all relevant authority approvals, major site works for Landmark Development project are expected to commence in 2015.

[1] Based on the latest development design and subject to changes

FMI CITY

Myanmar's First Gated Community

Established in 1995, FMI City is Myanmar's first gated community and is today still recognised as the pioneering gated community project in the country. The well-established estate has its own security and estate management services and comprises over 2,000 properties that house more than 7,000 residents. FMI City also boasts its own sports and recreation centre, supermarket, wet market, bank and food stalls. Situated on 465 acres of land, FMI City is located just under 15 kilometres from the centre of Yangon and is about 3 kilometres from the Yangon International Airport. Yoma Strategic holds a 52.5% economic interest in the LDRs in Orchid Garden, which is the last subdivision of FMI City.

Given that there is limited land left for development at FMI City, the Group acquired an additional two plots of land in FMI City known as the FMI City Gate sites in March 2014. The plan is to develop the 1.345 acres of land at FMI City Gate sites into a mixed-use residential and commercial development with approximately 90 residential units and 19,900 square feet of commercial space[1]. Yoma Strategic holds an 80% economic interest in FMI City Gates sites.

[1] Based on the latest development design and subject to changes

YOUR KEY TO BETTER LIVING FMI GARDEN DEVELOPMENT LIMITED

CREATING VALUE

The Group is continuously looking at ways to enhance the attractiveness of the communities it develops, and believes that having access to reputable and international quality schools are essential to the master planning of its real estate developments.

At Pun Hlaing Golf Estate, the Pun Hlaing International School operates an early-year centre for children aged 2 to 11 years. The school is currently located on 4 acres of land, with an area earmarked for expansion to further enhance the education facility in the coming years.

At Star City, we are preparing for the opening of British College Yangon scheduled for 2017. The school will provide an enhanced British curriculum for students aged 2 to 18 years.

The Group will develop the school buildings and facilities which will be leased to British College Yangon, and the campus will be located on 21 acres of land adjacent to Star City. The school buildings and facilities will provide a fully-equipped and purpose-built campus dedicated to upholding high international educational standards.

Both schools are to be overseen for academic and operational management by Education Index Management's subsidiary Dulwich College International, with Dulwich College in London supporting as an educational adviser.

CONSUMER PLATFORM

Targeting the consumer market is a key part of Yoma Strategic's strategy to capture the rapid increase in discretionary consumer spending in the country. According to a forecast by McKinsey, the number of consumers with income for discretionary spending will potentially increase from 2.5 million today to 19 million in 2030, with consumer spending tripling to US$100 billion[1]. The Group believes that a consumer platform built around the following business pillars will ensure that it is well placed to tap into this growing market segment in the coming years:

Bringing KFC to Myanmar

The Group has been selected as the franchise partner for KFC in Myanmar and has opened its first KFC outlet in Yangon in June 2015. The two-storey flagship store located across from the famed Bogyoke Aung San Market at No.375, Bogyoke Aung San Road, Pabedan Township is in the heart of Myanmar's commercial hub and historical melting-pot of commerce, culture and cuisine.

KFC is the first major global quick service restaurant brand to establish a foothold in Myanmar and it is already one of the top consumer brands in Myanmar. The Group intends to open several more KFC stores in Yangon before the end of this year. The partnership with KFC underscores Yoma Strategic's commitment to positioning itself as a key player in Myanmar's expanding food and beverage sector while supporting KFC's ongoing strategy of global expansion in emerging markets.

Yum! Brands, the parent company of KFC, is the worldwide leader in emerging markets with more than 15,000 restaurants and a nearly two-to-one advantage over its nearest competition[2]. As fried chicken is a staple diet for people of Myanmar, the Group believes KFC is well suited to benefit from Myanmar's growth.

Growing Our Presence in the Fast Moving Consumer Goods Space

The Group has a 30% interest in Access Myanmar Distribution Co. Ltd ("AMDC"), which produces, markets and distributes beverages and other Fast Moving Consumer Goods ("FMCG") products in Myanmar. The business has a strong and growing market share in the domestic whisky market capturing approximately 15% since its launch in 2011. It also has an extensive distribution platform of an estimated 60,000 direct and indirect point of sales supported by over 29 branches and is estimated to have a market penetration of 70% in both retail and wholesale outlets.

The Group's investment in AMDC has served as a good entry point into the beverage market and AMDC's strong distribution network will provide a solid, well established platform for the Group to expand into future FMCG ventures.

Yangon's First Parkson Departmental Store

The Group has a joint venture with Parkson Retail Asia Limited and FMI to develop and operate departmental stores in Myanmar. The first Parkson departmental store in Myanmar opened in May 2013, occupying four floors with a built up area of approximately 57,000 square feet at FMI Centre in the Pabedan Township of Yangon. Parkson is a prominent department store chain with 125 stores in Malaysia, China, Vietnam, Indonesia and Myanmar[3].

[1] Myanmar Unlocking the Potential Country Diagnostic Study by Asian Development Bank, August 2014
[2] www.yum.com
[3] www.liongroup.com.my/ourbusiness.php

In FY2015, Yoma Strategic rationalised certain businesses in Myanmar including the acquisition of FMI's minority interest in automotive. In February 2015, the Group further strengthened its automotive offering with the acquisition of Convenience Prosperity Co., Ltd ("Convenience Prosperity"), described further below. The Group believes that the opportunities in the automotive market remain attractive and will continue to work with its partners to better serve the consumers in Myanmar.

Mitsubishi Motors Corporation

Yoma Strategic is partnering with Mitsubishi Corporation to represent Mitsubishi Motors in the servicing and distribution of passenger vehicles and light commercial vehicles. The Group is currently operating two after-sales service centres in Yangon and Mandalay, while the flagship 3S showroom and workshop in Yangon is currently under construction and is scheduled for completion in 2Q2015. Full vehicle sales activities will commence once the showroom is completed.

Hino Motors

For larger vehicles, Yoma Strategic has a joint venture with Sumitomo Corporation to represent Hino brand trucks and buses. Hino Motors, a Toyota Motor Corporation company, is the largest manufacturer of heavy-and medium-duty trucks in Japan[1].

The Group's first Hino Service Station commenced operations in December 2014 and held its opening ceremony on 30 April 2015. The opening of the Hino Service Station marks the official return of the Hino brand to Myanmar after a 27-year hiatus.

Volkswagen

The Group's subsidiary, German Car Industries, entered into a service partner agreement with Volkswagen Aktiengesellschaft ("VW") to provide servicing and genuine spare parts for all VW models in Myanmar. The operations of the Group's first VW service centre in Yangon commenced in October 2013.

Case New Holland

In February 2015, the Group acquired Convenience Prosperity which distributes Case New Holland ("CNH") agricultural equipment. The operation has nine strategically placed branches and dealers in all the major farming regions of the country, serving a broad customer base. CNH's customers consist of government agencies, agribusinesses, village collectives, individual farmers and other sectors that require the use of tractors and related attachments. With agriculture being the largest industry in Myanmar and the potential for mechanisation being huge, the Group sees it as potentially one of the fastest growing segments within its automotive division in the coming year.

Bridgestone Tyres

Yoma Strategic also has a joint venture with Mitsubishi Corporation to provide sales support for Bridgestone tyres, which is in its first year of operation and had a good start by regaining some lost market share in the premium tyre segment. The Group sees the potential for steady growth of Bridgestone in the tyre market in Myanmar, with opportunities for further expansion.

Commercial Vehicle Operating Leases and Rental

Through its subsidiary Yoma Fleet Limited, the Group has entered into the vehicle operating lease and rental business for commercial vehicles. The financial return for the vehicle leasing and rental business is expected to be attractive. Yoma Fleet had successfully leased out 120 vehicles in its first year of business. The initial customers for this business comprise multinational corporations and clients with international exposure, and it is expected to expand to cater to Myanmar clientele as they learn about the benefits of vehicle leasing. The vehicle operating lease and rental business will focus on medium to long term lease contracts with the FMCG, telecom, construction and agricultural sectors initially.

[1] www.hino-global.com

AUTOMOTIVE

Agriculture accounts for an estimated 30% of Myanmar's GDP and over 50% of employment[1]. The Group believes that agriculture is an attractive sector with strong growth prospects and it will continue to develop its agriculture and logistics business together with its strategic partners which includes IFC, a member of the World Bank Group.

Agriculture

The Group has rights to the Maw Tin estate, which comprises 100,000 acres of contiguous agricultural land in the Ayerwaddy Division of Myanmar. Approximately 3,700 acres of the Maw Tin estate has been earmarked for a Robusta coffee plantation.

Yoma Strategic is partnering with ED&F Man Holdings Ltd. ("EDFM"), a global specialist merchant of agricultural commodities, to plant and produce lowland Robusta coffee at the estate. EDFM is one of the world's leading coffee and agricultural suppliers and traders and its subsidiary, Volcafe supplies mainstream Arabica and Robusta coffee beans to most of the top international coffee-roasting companies, including Nestle, Folgers, Starbucks and Kraft, while sourcing and suppling specialty gourmet coffees from a number of origins[2].

Aside from coffee, Yoma Strategic continue to look into opportunities to grow other revenue generating agricultural products in the Maw Tin estate.

Logistics

Myanmar's economic and demographic conditions are expected to drive the demand for logistics facilities. To fulfil this demand, the Group, together with Kokubu & Co., Ltd ("Kokubu"), intends to build end-to-end cold chain logistics facilities throughout Myanmar to enable farmers to better store and transport their produce. This cold chain network will eventually be developed into a cross-border logistics network to support its customers' future business expansion. The cold chain business will initially comprise the construction of two key distribution centres in the major cities of Myanmar, namely Yangon and Mandalay.

[1] Myanmar Unlocking the Potential Country Diagnostic Study by Asian Development Bank, August 2014
[2] www.edfman.com

AGRICULTURE & LOGISTICS

TOURISM

Myanmar's tourism sector continues to benefit from the increasing number of visitors to Myanmar. The Group's main business in this sector, Balloons over Bagan, is one of the country's most iconic tourist attractions and was recently voted the world's second greatest city to visit by Wanderlust Travel Magazine, a leading travel magazine. The Group currently operates 12 balloons and plans to increase its fleet of balloons in Bagan and elsewhere to meet customer demand.

In addition, plans are also underway to leverage on management's expertise to develop new luxury lodges and adventure products, with an initial focus on Bagan, which is one of the most popular tourist attractions in the country. The Group believes the timing is right to develop a mix of smaller luxury properties combined with other tourism products which will position the Group as a major player within the local tourism market in the medium term.

INVESTMENT

Telecoms Towers

The Group has a 25% interest in Digicel Myanmar Tower Company Ltd ("MTC"), a joint venture with Digicel Group Limited. MTC has completed over 1,000 telecommunication towers to-date and since the liberalisation of the telecommunications sector in 2013, MTC has played a key role in the sector, being one of two main build-to-suit tower companies for its anchor tenant, Ooredoo Myanmar.

Airport

The Group's subsidiary, Yoma Development Group Limited, has a minority stake in MC-JALUX Airport Services Co., Ltd. ("MJAS") with JALUX Inc. and Mitsubishi Corporation. After winning a 30-year concession from the Ministry of Transport's Department of Civil Aviation in 2014, MJAS has commenced operational control and the upgrading of the Mandalay International Airport in April 2015.

Elevator Services

The Group has a 40% stake in a joint venture, MC Elevator (Myanmar) Ltd., with Mitsubishi Corporation to import, supply and provide maintenance services for elevators, escalators and related products. The joint venture is focused on supplying high quality Mitsubishi products to satisfy the growing demand in Myanmar and has steadily gained market share with a long term goal to becoming a market leader.

CHAIRMAN'S STATEMENT

Dear Shareholders,

I am happy to report another year of growth for your Company (including its subsidiaries, collectively referred to as the "Group") for the financial year ended 31 March 2015 ("FY2015"). As part of our strategy to build a diversified portfolio of businesses in Myanmar, we are witnessing a greater contribution from our non-real estate business segments during the past year as we intensify our efforts to nurture them. The growth potential of our non-real estate business units looks promising as the domestic market opens up and opportunities abound. We shall continue to work diligently towards our 2020 vision of having at least half our revenue being contributed from non-real estate businesses.

As we move into the new financial year, the biggest upcoming event in Myanmar will be the general elections that will be held in November 2015. Naturally there is an air of anticipation on the ground, as well as internationally, concerning the general elections, with differing political opinions being espoused. Notwithstanding this, we are of the view that the policies of economic reforms are likely to continue regardless and this bodes well for the economy and the private sector.

The Myanmar government has taken steps to show its commitment to a free and fair election by inviting the US-based Carter Center, the European Union and other governments to monitor the general election proceedings. This was followed by an agreement to sign the landmark nationwide ceasefire accord between the Myanmar government and 16 ethnic groups on 31 March 2015. Government budget allocations in agriculture, health and education have also increased to help promote sustainable growth and the government's active engagement with multilateral agencies on multiple issues including those of transparency and governance suggest that the government is determined to oversee both medium and long term sustainable growth in Myanmar.

The factors that help spur foreign investment remain intact. Numerous improvements have been made to 'hard infrastructure' such as telecommunications and other important infrastructure developments such as power generation. Improvements to 'soft infrastructure' including the provision of more clarity to laws were also made. Consequently, the country attracted a record US$8 billion in foreign direct investments in FY2014/15[1], doubling the preceeding year's figure.

Myanmar continues to enhance its economic ties with the surrounding ASEAN countries in preparation for Asean Economic Cooperation ("AEC") which will come into effect in January 2016. For instance, the Joint Ministerial Working Committee between Singapore and Myanmar, which was originally established in 1995 and halted in 2001, will be restarted this year to promote trade and investment, finance and law between the two countries.

The ADB's recent report forecasted an 8.3% growth for Myanmar for the financial year 2015/2016 and this forecast has been echoed by many other independent authorities. This is undeniably very positive for your Company and the Group, providing us with a solid and strong footing to grow our businesses.

ADB US$100 Million Loan

We are honoured to be the recipient of a loan from ADB of up to US$100 million for projects to improve connectivity infrastructure which is essential for sustainable economic growth in Myanmar.

Investment in connectivity infrastructure is a key factor to creating better economic opportunities, reducing costs, promoting trade, and attracting private investment into Myanmar's diverse geographic areas and sectors. The ADB loan will help to bridge the gap for long-term commercial debt for infrastructure projects designed to enhance connectivity.

We aim to leverage on the ADB loan to support individual infrastructure projects with our partners in the areas of telecommunication infrastructure, cold storage logistics, transportation, distribution and other sectors.

Maintaining Our Competitive Edge in the Real Estate Market Through Innovation

Real estate continues to be our core business and we remain focused on growing this business and maintaining our position as one of the leading developers in Myanmar. As the economy develops and income levels rise supported by the growing population, coupled with the increase in demand from the influx of expatriates as well as returning countrymen, we are of the opinion that the real estate sector will continue to expand over the coming years. Supply on the other hand is also certain to increase, thereby bringing stiffer competition in this sector in the medium to long term. Nevertheless, we are confident of our competitive edge due to our years of experience and our ability to innovate in terms of design and improve building standards, offering our clients a superior product for own-occupation or investment.

We are also building up a portfolio of rental properties that will provide us with a meaningful and steady source of recurring income and cash flows for the future. We target to have at least

[1] Myanmar Investment Commission

CHAIRMAN'S STATEMENT

half of our real estate income coming from rental by 2020 and we believe that our Pun Hlaing Golf Estate ("PHGE"), Star City and Landmark Development projects will be ideal opportunities for us to achieve this goal, as we expand our product offerings across residential, commercial and hotel sectors to reach a broader market.

Scaling Up Our Consumer Platform

We have been actively strengthening our non-real estate pillars by focusing on projects that are scalable and that would allow us to be a market leader in that industry. With the number of middle-class consumers in Myanmar expected to double by 2020, according to Euromonitor, there is already strong demand in Myanmar for consumer goods and services that are in short supply while consumer expenditure is expected to grow exponentially over the next decade. We are very excited about the recent launch of our first KFC outlet in Myanmar and intend to build a sizable and sustainable long term business with our partner, Yum! Brands.

Several other consumer services businesses are in the early planning stages and I look forward to sharing more concrete information on them in the near future.

Talent and Succession Planning

We made on a conscious decision three years ago that in order to capitalise on the emerging opportunities in Myanmar we needed to build capacity in terms of human resources and brain power. We believe in investing in training and development and getting the right people to manage and grow our various businesses. Today this investment has benefited us with a strong competitive edge and has made us partner of choice for many global corporations and brands looking to expand into Myanmar. We have also begun a process of strategic workforce planning including succession planning to ensure we have the future capabilities that we need. Besides cultivating a team that strives for excellence, we believe that succession planning and localisation is an integral part of our talent strategy to ensure continuity and leadership to help us achieve our strategic objectives.

Strong Emphasis on Corporate Governance

Our achievements over the recent years would not have happened if good corporate governance had not been a cornerstone of the Group. We have always believed from day one that responsible business practices are the key to sustainable growth, especially in an emerging market like Myanmar. As part of our commitment to raising the awareness and standards of responsible business practices in the country, we have conducted seminars and workshops on responsible business practices to small and medium enterprises around Myanmar.

I am pleased to note that our efforts have been recognised with Yoma Strategic being ranked 18th among the 100 largest Singapore-listed companies in the ASEAN Corporate Governance Scorecard 2014. This is the second year that we have been selected for the Singapore portion of the ASEAN Corporate Governance Scorecard.

More recently, your Company is very honoured to receive the Best Managed Board Award (Silver) from the Singapore Corporate Awards ("SCA") for companies with market capitalisation of S$300 million to S$1 billion. The SCA represents the highest accolade in Corporate Governance for Singapore listed companies.

This prestigious recognition reinforces our continuous commitment to achieving high standards of corporate governance and will encourage us to strive for excellence.

Second Shareholders' Trip

During FY2015, we hosted our second annual Shareholders' Trip to Yangon from 20 to 22 March 2015. A group of 76 shareholders from various countries, namely, Singapore, Malaysia, Belgium, France, Germany and the United States participated in this trip, compared to 63 participants in the previous year.

The participants visited our flagship property development projects - Star City and PHGE - and were given briefings on the Landmark Development site, and the Retail, F&B and Automotive businesses, allowing them to deepen their understanding of the Group. The management team was also on hand to answer the numerous questions from the participants at formal briefings as well as during meal times.

I would like to sincerely thank our shareholders for their overwhelming support in making these shareholders' trips so successful and meaningful as it allows us to better appreciate their concerns. We are pleased that at the end of the trip, they were able to develop a better understanding of Yoma Strategic as it also provides an opportunity for them to see for themselves what is happening on the ground.

Acknowledgements

On behalf of the board, I would like to take this opportunity to express our deep appreciation to Mr. Andrew Rickards who will be stepping down as Yoma Strategic's Chief Executive Officer at the forthcoming annual general meeting on 27 July 2015 but will remain as an Adviser to the Company until 31 December 2015.

Under Mr. Rickards' leadership over the past three years, the Company has achieved many milestones, especially towards establishing a solid reputation both in Myanmar and internationally. On a personal level, I have had the pleasant opportunity to work closely with a highly professional individual who professes a wealth of experience in corporate development and governance, from which the Group has benefitted immensely. I would therefore wish to register my personal gratitude to Mr. Rickards for his tenure of service.

I would also like to welcome Mr. Melvyn Pun, who will be appointed as an Executive Director as well as assume the position of Chief Executive Officer on 27 July 2015. In addition, we welcome the appointment of Mr. JR Ching as our Chief Financial Officer. I am fully convinced that our talented and growing management team is well placed to chart the future of the Company and the Group, as we pursue continuous improvement and operating excellence on a daily basis.

As a final word, I would like to express my appreciation to our Board of Directors and all staff for another year of strong performance. I would also like to thank our shareholders and business associates for their support as we continue to grow in Myanmar.

Mr. Serge Pun @ Theim Wai
Executive Chairman

CEO'S STATEMENT

Dear Shareholders,

FY2015 has been another strong year for us and I am pleased to see that the Group is continuing to grow its businesses. The revenue from our non-real estate segments is growing steadily and we expect this momentum to continue in FY2016. We have held our focus and fortitude to maintain the Group's leading position in Myanmar.

Solid, Stable, and Consistent Performance

Our performance over the past three years is a testament to the strength and resilience of our businesses as we continued to deliver another year of revenue in excess of S$100 million. In FY2015, our revenue increased by 10.4% to S$110.9 million. This healthy revenue growth was led by the strong showing of our automotive and tourism segments.

As part of the Group strategy to build a portfolio of rental properties, we also recorded fair value gains of S$22.8 million for Star City Building A5 and Lakeview G in Pun Hlaing Golf Estate ("PHGE") and this has more than offset a fair value loss of S$6.5 million that we had provided for the Group's agriculture segment. This has helped to lift our net profit by 64.3% to S$39.3 million.

Real Estate Continues to be the Main Driver of Our Business

The Real Estate division continued to be the largest revenue driver, contributing S$91.3 million or 82.3% of our FY2015 revenue[1].

Our sales of residences and LDRs has declined marginally by 4.9% year-on-year to S$86.5 million. This marginal decline was due primarily to the decision of management to defer sales at PHGE until the units under construction are substantially completed, so as to ensure a better result in pricing and sales.

Meanwhile, as part of our strategy to generate more recurrent income, rental revenue generated from the Group's investment properties increased by more than three-fold from S$1.4 million in FY2014 to S$4.8 million in FY2015. The Group's 16-unit apartment block in PHGE and 100 out of the 150 units in Building A5 of Star City Zone A have been leased as at end of May 2015.

We expect our rental business to continue to see strong demand, driven by the growing demand for corporate housing as more expatriates enter the country for business. As for the sales of residences, demand continues to be strong on the back of the continuing growing economy in particular in Yangon where we are most active. However this is being tempered by a number of headwinds including increased supply and uncertainty over the outcome of the forthcoming election. As a result we will be taking a cautious approach to new real estate developments over the next 12 months.

Non-real Estate Businesses Recording Good Growth

Our diversification strategy to grow our non-real estate income is also on track. The revenue from our automotive segment achieved positive contributions in FY2015, recording a significant increase to S$8.8 million as compared to S$0.7 million in FY2014. The increase was driven by the acquisition of the Case New Holland business in February 2015, which contributed S$7.6 million.

Revenue from the Group's Balloons over Bagan tourism business, which runs from October to March every year, recorded a strong 47.3% year-on-year jump to S$7.8 million with the increased number of balloons. This business is expected to see strong demand on the back of the growing tourism market as Myanmar tourism continues to benefit from the increasing number of visitors to Myanmar. The country attracted 3.0 million tourists in 2014/2015, which is a significant increase from 2.0 million tourists in 2013/2014[2]. Balloons over Bagan continues to be one of the country's main tourist attractions and is likely to benefit from Bagan being recently voted the world's second greatest city to visit by Wanderlust Travel Magazine, a leading travel magazine.

Appreciation Note

We have announced that I will be stepping down as the Group's Chief Executive Officer after the Annual General Meeting of the Company on 27 July 2015. As part of ongoing succession planning, Mr. Melvyn Pun will be appointed Chief Executive Officer and Executive Director and I will stay on as an Adviser to the Company until 31 December 2015.

When I became Yoma Strategic's Chief Executive Officer in 2011, one of my main objectives was to build a diversified portfolio of businesses in Myanmar and strengthen our shareholder base. I am pleased to see that Yoma Strategic has successfully embarked on a diversification strategy from a company primarily focused on real estate to becoming one of Myanmar's leading conglomerates. Our shareholder base has also broadened to include institutional investors such as Aberdeen Asset Management, Capital Group and Eaton Vance, who no doubt believe in Yoma Strategic and want to partake in its conglomerate development efforts in the exciting Myanmar market.

My tenure as Chief Executive Officer of Yoma Strategic has been rewarding and I have had the privilege to work with one of the best business groups in Myanmar, as well as help build a team of individuals who are committed to both the growth of the company and the country. Mr. Melvyn Pun and I have been working very closely together over the past three years and I am confident that under his leadership, Yoma Strategic will continue to perform well. In addition, the appointment of Mr. JR Ching as Chief Financial Officer will further strengthen our management bench.

I would like to take this opportunity to thank the Board for its guidance and contributions and am confident that they will continue to extend their strong support to Mr. Melvyn Pun. I would also like to extend my appreciation to our staff, partners and last but not least our shareholders who stood by us and gave us their unwavering support. I continue to be a strong supporter of the Myanmar growth story and I am confident that under the leadership of Melvyn supported by a solid management team, Yoma Strategic will continue its strong path of growth, embrace the numerous opportunities available in the country and contribute to a rising Myanmar.

Mr. Andrew Jonathan Rickards
Chief Executive Officer and Executive Director

[1] Including sales of residences and LDRs and rental of properties.
[2] www.myanmartourism.org

CEO'S STATEMENT

Dear Shareholders,

I am honoured to be appointed the Group's CEO and am excited about the opportunities ahead of us. Having worked closely with our management team in the past few years, I feel privileged to have an outstanding group of executives alongside me. While we look forward to the upcoming elections towards the end of 2015, we will not lose sight of the incredible opportunities, and the potential pitfalls, in our nascent democracy. I look forward to leading Yoma Strategic into our next phase of development - enhancing our core businesses; building competencies in new ventures; growing our recurring income; and augmenting a diversified business portfolio that can withstand the market volatility as Myanmar grows. Opportunities abound in the country and we shall take a disciplined and targeted approach to ensure that we build a successful and sustainable business for the future.

Strong Foundation for the Future

One of our greatest sources of pride in the past years has been the strengthening of our corporate governance to ensure transparency and accountability to our stakeholders. We have been rewarded with our ranking of 18th amongst the largest Singapore listed companies in the ASEAN Corporate Governance Scorecard 2014 as well as the implicit endorsement through our international partnerships and the group of prominent institutional investors.

The depth and breadth of our management team provide a significant competitive advantage for the Group. The talent in our Group compare favourably to any international corporation and are remarkable in the emerging economy of Myanmar. We will continue our commitment to attract and retain the best talent while empowering them to grow our businesses.

Alongside our strong human capital we have assembled a premier group of business partners. Leveraging on their strong expertise and product offerings, our partnerships help us to operate new ventures from a position of strength and reduce the risks in our operations. Our position as the partner of choice for international companies looking to expand in Myanmar bodes well for our future.

Enhancing Our Status as the Best Developer

PHGE continues to be the premium residential community in Yangon. The upgrading of our signature golf course and country club facilities will further enhance our value proposition. Investments will be made to upgrade Pun Hlaing International School, while its academic offering which will be overseen by Dulwich College International ("DCI") offering an enhanced British curriculum. The Pun Hlaing Siloam Hospital, which is an international hospital jointly owned by FMI and the Lippo Group, has been rebranded and relaunched. Together with the new residential developments, PHGE's resident population is expected to grow and become an increasingly attractive location for families.

I am excited to witness the development of Star City. From a vacant piece of land, close to 2,000 apartments[1] have been sold to date with the resident population expected to double to 1,000 by the end of 2015. Supermarkets, restaurants, a gymnasium and golf course currently service the increasingly vibrant community, while our plans for a recreation complex, swimming pool and other retail facilities, and our investments to build the British College Yangon also managed by DCI, will make Star City one of the most attractive locations in Yangon, just as the nearby Thilawa SEZ opens.

In recognition of our developments, we are proud to be awarded the "Best Developer" at the inaugural Myanmar Property Awards[2]. We will continue to be relentless in further enhancing the value of our projects.

As the rental market remains attractive, we plan to increase our investment property portfolio in PHGE and Star City to build our recurring income, which will benefit from the expected appreciation of our properties.

Tapping Our Consumers

The recent opening of our first KFC outlet allowed us to access the growing consumer markets in Myanmar. KFC is a scalable business that we plan to build over many years. Together with our FMCG distribution platform, Access Myanmar Distribution Company, we expect to continue to invest and develop our product range across different price points to tap into this growing market segment in the coming years.

Our 2020 Vision to Diversify

We are committed to building our non-real estate businesses to match the scale of our real estate operations by 2020. This is a tall order given that our real estate business continues to grow rapidly. However, we are encouraged by the opportunities ahead. The consumer businesses will be a significant revenue driver by 2020, while our automotive businesses, in particular Yoma Fleet, are expected to contribute meaningfully. The key to our strategy is to be selective in our focus, and to be unforgiving in our execution. Where opportunities exist, we will be open to redeploying capital in a more effective way by closing or selling off certain businesses to further drive our growth.

Capital Management

We have been blessed with supportive shareholders. We have accessed the equity capital market for rights issues and share placements in the past years, all of which have been oversubscribed. Going forward, we expect to be more proactive in accessing the debt markets. Besides the recent US$100 million ADB facility, we have been offered financing from other multilateral agencies and commercial banks. At the right opportunity, we intend to further utilise the debt markets to improve capital efficiency and enhance our return on shareholders' equity.

Acknowledgements

I would like to express my sincere appreciation to the Board of Directors for their trust in me. Our success so far will not be possible without their tireless dedication. I look forward to their support and guidance in my new role.

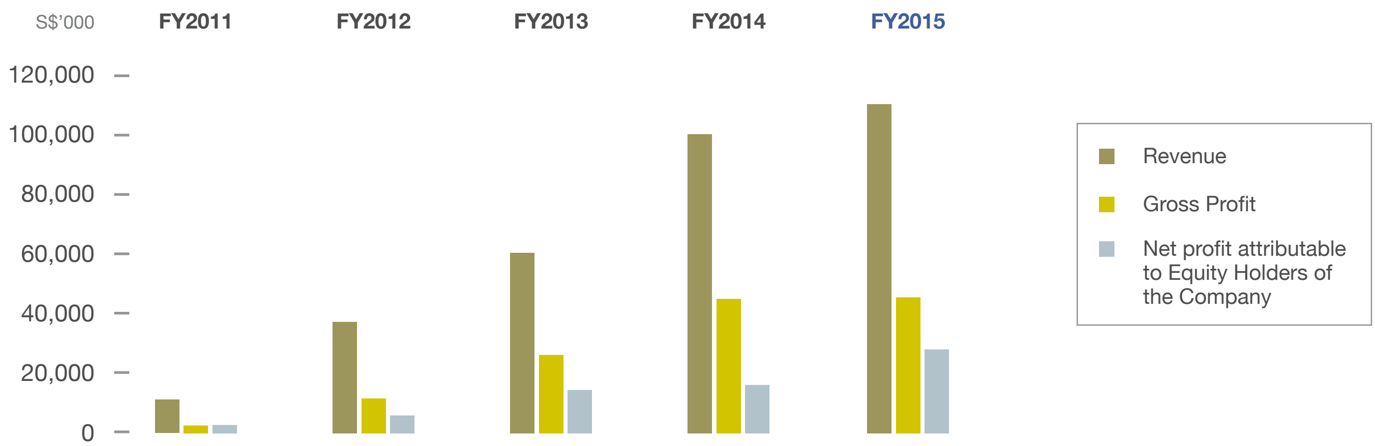
I would also like to thank Mr. Andrew Rickards for his leadership over the past years. Mr. Rickards and I have been working closely together and he will be missed. I am grateful that he has agreed to stay on as our adviser for the remainder of this calender year to ensure a smooth transition.

Finally, I would like to thank our staff for their dedication, our partners for their belief in us, and shareholders for their unwavering support. We are uniquely positioned to benefit from the growth in Myanmar and I looking forward to leading the Group to a long and sustainable path of growth.

Mr. Melvyn Pun Chi Tung
Chief Executive Officer Designate

[1] Including Zone A Building A1 and A2
[2] The award ceremony was organised by Ensign Media, which is also the publisher of Asia's leading real estate publication Property Report magazine.

FINANCIAL REVIEW



S$'000	FY2011	FY2012	FY2013	FY2014	FY2015
Revenue	**11,217**	**39,211**	**60,467**	**100,493**	**110,927**
Profit before income tax	2,163	6,233	16,042	25,540	43,224
Income tax	180	(93)	(1,781)	(1,606)	(3,909)
Profit from continuing operations	2,343	6,140	14,261	23,934	39,315
Profit from discontinued operations	288	-	-	-	-
Total profit	**2,631**	**6,140**	**14,261**	**23,934**	**39,315**
Net profit/(loss) attributable to:					
Equity holders of the Company	2,789	6,040	14,444	16,392	28,051
Non-controlling interest	(158)	100	(183)	7,542	11,264
	2,631	6,140	14,261	23,934	39,315
Weighted average of total share ('000)	527,647	659,559	994,872	1,238,267	1,405,322
Basic Earnings Per Share (cents)	**0.53**	**0.92**	**1.45**	**1.32**	**2.00**

S$'000	FY2011	FY2012	FY2013	FY2014	FY2015
Current Assets	11,019	44,321	178,909	176,188	342,520
Current Liabilities	(8,742)	(12,630)	(52,053)	(42,388)	(73,302)
Non Current Assets	127,806	103,889	283,655	307,088	491,580
Non Current Liabilities	-	-	(14,391)	(22,850)	(28,607)
Net Assets	130,083	135,580	396,120	418,038	732,191
Less: Non-controlling interests	283	184	(38,655)	(46,506)	(70,368)
Net Assets Attributable to Equity Holder of the Company	130,366	135,764	357,465	371,532	661,823
	130,083	**135,580**	**396,120**	**418,038**	**732,191**
Shareholder's funds attributable to equity holders of the Company	130,366	135,764	357,465	371,532	661,823
Total numbers of ordinary shares ('000)	527,647	527,647	1,157,118	1,157,118	1,730,149
Net assets per shares (cents)	**24.7**	**25.7**	**30.9**	**32.1**	**38.3**

* The weighted average number of ordinary shares outstanding for the financial year ended 31 March 2014 have been adjusted to reflect the effects of the rights issue during the financial year, thus resulted in adjusted basic earnings per share.

Group's Performance

For the financial year ended 31 March 2015 ("FY2015"), the Group recorded a revenue of S$110.9 million, which was a 10.4% increase from the previous financial year ended 31 March 2014 ("FY2014"). The revenue was attributed by the solid performance of the Group's Automotive and Tourism segments.

Gross profit margin decreased to 41.1% in FY2015 as compared to 44.4% in FY2014. The decrease was mainly due to a lower margin in the automotive segment as compared to the real estate segment.

Other net income in FY2015 mainly constituted net fair value gains on investment properties of S$22.8 million for Star City Building A5 and Lakeview G in Pun Hlaing Golf Estate ("PHGE") and a net currency translation gain of S$9.8 million, which more than offset a fair value loss of S$6.5 million provided for the Group's agriculture segment.

Administrative expenses increased to S$32.2 million in FY2015 from S$25.3 million in FY2014, mainly due to the acquisition and formation of subsidiaries and a loan extension fee of S$1.5 million attributed to the Group's wholly-owned subsidiary, Xun Xiang (Dalian) Enterprise Co Ltd ("Xun Xiang") which is secured by an investment property (retail mall) in Dalian, China. Staff costs and professional fees rose by S$2.5 million and S$1.8 million respectively in FY2015 due to several corporate exercises.

Overall, net profit attributable to shareholders for FY2015, increased to S$28.1 million from S$16.4 million in FY2014.

Real Estate

The Group's Real Estate division continued to be the largest revenue driver, contributing S$91.3 million[1] or 82.3% of its FY2015 revenue mainly driven by Star City and PHGE.

[1] Include sales of residences and Land Development Rights ("LDRs") and rental of properties

Sales of Residences and LDRs

The sales of residences and LDRs declined by 4.9% year-on-year to S$86.5 million. This is due primarily to the decision of management to defer PHGE sales until the units currently under construction are substantially completed so as to ensure a better result in pricing based on prior successful experience.

At Star City, earlier in FY2015, the Group entered into an agreement with a third party investor to develop and manage the construction and sale of the apartment units for Star City Zone C. As such, the Group recorded S$25.2 million as the consideration for the sale of the LDRs for Star City Zone C in 2Q2015.

Based on the percentage-of-completion revenue recognition, The Group also recognised S$29.3 million from Buildings A3 and A4 in FY2015 as compared to the S$19.8 million recognised in FY2014. Building A3 was 100% completed and a balance of unrecognised revenue of approximately S$6.8 million related to sales of units in Building A4 is expected to be recognised within the next six months as construction progresses.

Rental Income

As part of the Group's strategy to generate more recurrent income, rental revenue generated from the Group's investment properties increased by more than three-fold to S$4.8 million in FY2015 from S$1.4 million in FY2014. The Group's 16-unit apartment block in PHGE and 100 out of the 150 units in Building A5 of Star City Zone A, have been leased as at end of May 2015.

Non Real Estate Segments

The revenue from the Group's automotive segment increased significantly to S$8.8 million in FY2015 as compared to S$0.7 million in FY2014. The main driver behind this increase was the acquisition of Convenience Prosperity Co., Ltd ("Convenience Prosperity") in February 2015, which contributed S$7.6 million.

The revenue from the Group's Balloons Over Bagan tourism business, which runs from October to March every year, recorded a strong 47.3% year-on-year jump to S$7.8 million due to the increase in the number of balloons and the growing tourism market in Myanmar.

Balance Sheet

As at 31 March 2015, net assets attributable to equity holders increased to S$661.8 million as compared to S$371.5 as at 31 March 2014. The increase was due to the increase in share capital of S$260.4 million as a result of the issuance of new ordinary shares from (a) the placement exercise completed in July 2014, (b) the rights issue exercise completed in February 2015 and (c) the exercise of vested options by senior employees and Directors of the Company in December 2014 and January 2015 respectively.

Retained profits increased to S$65.1 million due to the net profit attributable to equity holders of the Company of S$28.1 million recorded during FY2015.

Value of investment properties increased to S$156.1 million as at 31 March 2015 as compared to S$104.7 million as at 31 March 2014 due to the transfer of development properties, Star City's Zone A Building A5, which is a 150-unit apartment block with a fair value of S$45.3 million as at 31 March 2015, to investment properties.

The Group's LDRs (current and non-current portions) increased to S$227.2 million as at 31 March 2015 as compared to S$158.2 million as at 31 March 2014 due to the acquisition of the LDRs in PHGE. Development properties also grew significantly by S$129.8 million to S$169.2 million in the same period due to the acquisition of the Landmark Development sites.

Intangible assets increased from S$12.7 million as at 31 March 2014 to S$32.2 million as at 31 March 2015 mainly due to:-

(a) acquisition of operating rights amounting to S$16.2 million in respect of the PHGE Golf Course and Country Club and the PHGE estate as approved by the shareholders in the EGM held on 6 January 2015; and

(b) recognition of intangible asset amounting to S$4.3 million as a result of acquisition of Convenience Prosperity in respect of the distributor agreement that Convenience Prosperity had entered into with CNHI International SA whereby Convenience Prosperity was appointed to market and sell its New Holland agricultural tractors within Myanmar.

Inventories rose to S$14.1 million as at 31 March 2015 from S$0.7 million as at 31 March 2014 as a result of the acquisition of Convenience Prosperity, which is in the business of trading in tractors. As at 31 March 2015, the inventories in Convenience Prosperity amounted to S$13.3 million.

Prepayments decreased to S$8.0 million as at 31 March 2015 from S$13.4 million as a result of the fair value adjustment of S$6.6 million provided for the Group's agriculture segment.

Investments in associated companies of S$40.4 million refers mainly to:-

(a) 25% interest in Digicel Asian Holdings, which is in the business of development, construction and leasing of telecommunications towers, amounting to S$24.9 million; and

(b) 30% interest in Access Myanmar Distribution Co. Ltd ("AMDC"), which is in the business of the production, branding, marketing and distribution of bottled water, spirits, wines, beers, alcoholic beverages and other FMCG products in Myanmar, amounting to S$15.3 million.

Trade and other receivables (current and non-current portions) increased to S$106.2 million as at 31 March 2015 as compared to S$86.1 million as at 31 March 2014, mainly due to unbilled trade receivables and costs relating to future projects.

Bank borrowings for the Group rose to S$25.8 million as at 31 March 2015 as compared to S$14.3 million as at 31 March 2014 mainly due to an additional S$10.0 million short-term borrowing secured for the Company's working capital.

Cash Flow Statement

The Group's cash and bank balances stood at S$20.0 million as at 31 March 2015 as compared to S$16.7 million as at 31 March 2014. The aggregate amount of cash provided by the financing activities was S$269.0 million and were mainly derived from the issuance of new ordinary shares under (a) a placement exercise; (b) a rights issue; and (c) the exercise of options under the YSH ESOS 2012 and proceeds from short-term bank borrowing.

The net cash used in operating activities of S$20.4 million was a result of higher working capital requirements and the net cash used in investing activities of S$245.7 million was mainly for the acquisition of LDRs and subsidiaries amounting to S$147.8 million, property, plant and equipment (largely for the Group's expansion in the automotive business) amounting to S$12.1 million and the investments in joint ventures and associated companies of S$26.8 million.

BOARD OF DIRECTORS

Mr. Serge Pun @ Theim Wai
Executive Chairman

Mr. Andrew Jonathan Rickards
Chief Executive Officer and Executive Director

Mr. Serge Pun is a Myanmar national and the Chairman of Serge Pun & Associates (Myanmar) Limited ("SPA"). He founded Serge Pun & Associates Limited in 1983 in Hong Kong which was then primarily active in real estate brokerage and development. Mr. Pun has led many real estate investments as a general partner in real estate limited partnerships, including projects such as Stewart Terrace on the Peak in Hong Kong (1987 to 1988) and Village Gardens in Yau Yat Chuen, Kowloon (1988 to 1990), to name a few. In these partnerships, he was involved in the organisation, development, promotion and management of all the projects.

In 1988, Serge Pun & Associates Limited opened its first overseas branch in Bangkok. Branches and subsidiaries in Shenzhen (1988), Kuala Lumpur (1990) and Chengdu (1992) followed in the ensuing years. Some of Mr. Pun's more notable projects overseas were the Sand River Golf Club in Shenzhen (1991 to 1997); the 1 million square feet premier office building in Bangkok — Abdulrahim Place at 990 Rama IV (1989 to 2000) and the 1.2 million square feet mixed use development in Dalian PRC known as The Grand Central (2006 to 2009) — a project in which Yoma Strategic had taken an interest. In 1991, Mr. Pun decided to return to his hometown in Myanmar and set up SPA, which has today grown to include more than 30 operating companies active in nine key sectors including financial services, manufacturing, real estate development, trading and distribution, the service industry, agriculture, hospitality and transportation.

In 1999, Mr. Pun was conferred the title of Doctorate in Philosophy (Ph.D) in Business Administration, honoris causa, by the Southern California University for Professional Studies. Mr. Pun was appointed an Honorary Business Representative of International Enterprise Singapore for Myanmar from 2004 to 2007. He was also appointed as a member of the Chinese People Political Consultative Conference ("CPPCC") of Dalian, People Republic of China ("PRC") since 2007. He has been invited to many international forums as guest speaker or panellist on subjects relating to China, Myanmar and ASEAN.

Re-appointed to the Board of Yoma Strategic on 30 July 2013, Mr. Pun is the Executive Chairman of Yoma Strategic.

Mr. Andrew Rickards qualified as a Chartered Accountant in London in 1988 having read Engineering Science at University of Exeter in the United Kingdom. He started his investment banking career in 1990 with Barclays de Zoete Wedd and subsequently, worked for some major names in the field of investment banking including Schroders, Goldman Sachs and N.M. Rothshild and Sons. He had lived and worked in India, Hong Kong, Singapore, Japan and Australia and was responsible for raising capital and advising on mergers and acquisitions in many emerging Asian countries, including India, Vietnam, Indonesia and China. He is an active sportsman with interests in sailing, skiing and triathalon. His philanthropic activities include marine conservation (where he is Chairman of Bloom Association in Hong Kong, the Paris based marine conservation charity) and supporting medical and other philanthropic institutions in Myanmar.

Appointed to the Board of Yoma Strategic on 21 November 2011, Mr. Rickards is an Executive Director and the Chief Executive Officer of Yoma Strategic.

BOARD OF DIRECTORS

Mr. Melvyn Pun Chi Tung

Chief Executive Officer Designate and Alternate Director to Mr. Serge Pun

Mr. Melvyn Pun will be appointed as the new Chief Executive Officer and an Executive Director after the Annual General Meeting on 27 July 2015. Mr. Pun has been the Alternate Director to Mr. Serge Pun since September 2012.

Prior to joining the Group, Mr. Pun was the Chief Executive Officer of Serge Pun & Associates (Myanmar) Limited. He has been extensively involved in developing the Group's relationships with key parties, including Mitsubishi Corporation, IFC, ADB, Yum! Brands, Parkson, Case New Holland, Dulwich College International and Kokubu, amongst others.

Prior to joining SPA, Mr. Pun spent 12 years at Goldman Sachs in Hong Kong, where he was Managing Director, Head of Asia Ex-Japan Corporate Solutions Group. He had extensive financial and corporate experience in various markets across Asia such as Greater China, Southeast Asia and Korea where he provided corporations and non-profit organisations with financial services that included fund raising, investments and risk management.

Mr. Pun was educated in the United Kingdom and graduated from University of Cambridge in 2000 with a Bachelor of Arts (First Class Honours), Masters of Engineering and Masters of Arts.

Mr. Cyrus Pun Chi Yam

Head Of Real Estate, Executive Director

Mr. Cyrus Pun was educated in the United Kingdom and received a bachelor's degree in Economics from the London School of Economics in 2003. He gained his first work experience in the PRC at the beginning of his career with an established manufacturer of building materials, where he headed a team to develop the export and trading market. Prior to joining SPA in 2007, Mr. Pun worked for Hutchison Port Holdings in the South China Commercial Division based in Hong Kong. His major responsibilities involved revenue analysis, setting price strategy, contract negotiation, and he was responsible for account management for a substantial client portfolio.

In February 2007, Mr. Pun joined SPA and assumed a leading role in the development of Grand Central in Dalian, PRC — a real estate project undertaken by SPA Grand Central (Dalian) Enterprise Co., Ltd.

He was appointed as the Head of Corporate Development of Yoma Strategic in June 2010 and an Executive Director in February 2011. Following his appointment as the Head of Corporate Development, he headed various corporate exercises to identify and develop new business opportunities for as well as evaluate existing businesses of the Group. He currently oversees the Real Estate division of the Group.

Re-appointed to the Board of Yoma Strategic on 25 July 2014, Mr. Pun is an Executive Director of Yoma Strategic.

Mr. Adrian Chan Pengee

Lead Independent Director and Chairman of the Nominating and Governance Committee

Mr. Adrian Chan is Head of the Corporate Department and a Senior Partner at Lee & Lee. He is a Board member of the Accounting and Corporate Regulatory Authority of Singapore and the Vice-Chairman of the Singapore Institute of Directors. He serves on the Corporate Practice and Finance Committees of the Law Society of Singapore and the Corporate Governance and Regulations Committee of the Singapore International Chamber of Commerce. He is also an independent director on the boards of Ascendas Funds Management (S) Limited, the manager of A-REIT, Hong Fok Corporation Limited, Global Investments Limited and Biosensors International Group Limited and is the non-executive chairman of Nobel Design Holdings Ltd, all of which are public-listed companies on the Singapore Stock Exchange. He holds a law degree from the National University of Singapore and is a member of the Singapore Academy of Law.

Re-appointed to the Board of Yoma Strategic on 25 July 2014, Mr. Chan is the Lead Independent Director of Yoma Strategic and the chairman of the Nominating and Governance Committee of Yoma Strategic.

BOARD OF DIRECTORS

Mr. Basil Chan
Independent Director and Chairman of Audit and Risk Management Committee

Mr. Basil Chan is the Founder and Managing Director of MBE Corporate Advisory Pte. Ltd. He also sits on the boards of several other public listed companies in Singapore as their independent non-executive director. Mr. Chan has more than 32 years of experience in audit, financial and general management, having held senior financial and management positions in both private and listed companies. Mr. Chan was formerly a director and a member of the Governing Council of the Singapore Institute of Directors where he had served for almost 12 years. He was a member of the Corporate Governance Committee in 2001 that developed the Singapore Code of Corporate Governance and was a former member of the Accounting Standards Committee and of the Auditing and Assurance Standards Committee of the Institute of Singapore Chartered Accountants ("ISCA"). He currently sits on the Corporate Governance Committee of ISCA as its Deputy Chairman. Mr. Chan holds a Bachelor of Science (Economics) Honours degree majoring in Business Administration from the University of Wales Institute of Science and Technology, Cardiff, Wales, United Kingdom. He is a Chartered Accountant by training and is a member of the Institute of Chartered Accountants in England and Wales as well as a member of ISCA. He is a Fellow of the Singapore Institute of Directors.

Re-appointed to the Board of Yoma Strategic on 30 July 2013, Mr. Chan is an Independent Director of Yoma Strategic and the chairman of the Audit and Risk Management Committee of Yoma Strategic.

Mr. Kyi Aye
Independent Director

Mr. Kyi Aye is a Myanmar national and a career banker. In his early days, after obtaining his Bachelor of Commerce and Bachelor of Law degrees from the University of Rangoon, he went on to qualify as a Certified Public Accountant and underwent training at the Midland Bank of London and IMF Institute of Washington DC. He started his career in the banking industry in 1960, and was subsequently transferred to the Central Bank of Myanmar in 1965. He held many positions over 25 years in the Central Bank of Myanmar which included Chief Accountant (1987 to 1989) as well as Executive Director (1989 to 1991) of the Central Bank of Myanmar. In 1991, he was appointed as the Managing Director of Myanmar Economic Bank and, subsequently in 1992, as the Governor of the Central Bank of Myanmar. He retired from the Central Bank of Myanmar in 1998 and was invited to become Special Adviser to the Chairman of Yoma Bank Ltd (a member of the SPA Group) in 2000, a position he has retired from since August 2005.

Re-appointed to the Board of Yoma Strategic on 25 July 2014, Mr. Kyi Aye is an Independent Director of Yoma Strategic.

Dato Paduka
Dr. Mohd Amin Liew Abdullah
Independent Director and Chairman of Remuneration Committee

Dato Dr. Mohd Amin Liew Abdullah is currently the CEO of Darussalam Assets Sdn Bhd ("DA"), an investment holding company owned by the Minister For Finance Corporation, Brunei Darussalam. Prior to joining DA in November 2014, Dato Dr. Amin was the CEO of a private-equity firm in Singapore and held several key positions with the Brunei Government over a period of almost 14 years, including being appointed the Permanent Secretary of the Ministry of Industry and Primary Resources, the Permanent Secretary of the Ministry of Finance and the Managing Director of the Brunei Investment Agency.
Prior to his tenure with the Brunei Government, Dato Dr. Amin worked as a Crude Oil Trader with Brunei Shell Petroleum Co Sdn Bhd in the mid-nineties after returning from the United Kingdom where he worked for ICI Finance PLC as a research analyst in the late eighties/early nineties. Dato Dr. Amin currently serves on the boards of many Brunei Government linked companies in diverse sectors including telecommunications, medical services, logistics, agriculture, hospitality, aviation, oil and gas, information technology and education. Dato Dr. Amin graduated with a First Class Bachelor degree from Queen Mary College, University of London in 1984 and both a Master degree in 1989 and a PhD degree in 1993 from Imperial College, University of London. Dato Dr. Amin also holds a professional qualification as a Chartered Financial Analyst ("CFA") since 2004. He is also a member of CFA Singapore.

Re-appointed to the Board of Yoma Strategic on 25 July 2014, Dato Dr. Amin is an Independent Director of Yoma Strategic and the chairman of the Remuneration Committee of Yoma Strategic.

KEY MANAGEMENT

GENERAL MANAGEMENT

Mr. Serge Pun @ Theim Wai
Executive Chairman

Mr. Andrew Jonathan Rickards
Chief Executive Officer and Executive Director

Mr. Melvyn Pun Chi Tung
Chief Executive Officer Designate and Alternate Director to Mr. Serge Pun

Mr. Cyrus Pun Chi Yam
Head Of Real Estate, Executive Director

HEAD OFFICE SUPPORT

Ms. Loo Hwee Fang
Group General Counsel

Ms. Loo Hwee Fang was with Lee & Lee for 13 years and was a Partner in the Corporate Department since 2006. Her main area of legal practice was in corporate finance, capital markets and fund management and her scope of work included advising on fund raising, mergers and acquisitions, stock exchange procedures, compliance, and corporate governance issues.

Ms. Loo graduated with from the University of Sheffield, England, with an L.L.B (Hons) Degree in 1996. She is also a Barrister-in-law, having been called to the English Bar at Gray's Inn, England and Wales in 1997 and was admitted to the Singapore Bar in 1998. Ms. Loo was appointed in April 2013.

Mr. JR Ching
Chief Financial Officer

Mr. JR Ching was appointed as Yoma Strategic's Chief Financial Officer ("CFO") in May 2015 to oversee the Group's financial functions and strategic business development. Prior to this role, he served as the Company's Head of Business Development where he was responsible for (i) developing the Group's businesses, including new business areas which the Group may undertake; (ii) overseeing acquisition and investment opportunities; and (iii) reviewing the Group's overall business strategy. Mr. Ching joined the Company in May 2013.

Mr. Ching graduated as a Morehead Scholar from the University of North Carolina at Chapel Hill with a Bachelor of Arts degree in International Studies with Highest Distinction. He then spent over a decade at Goldman Sachs in the Fixed Income, Currency & Commodities, Capital Markets and Investment Banking Divisions in London and Hong Kong where he was most recently the head of structured finance for the Asia-Pacific Ex-Japan region. Mr. Ching has extensive financial and corporate experience in a wide range of business sectors and has executed investing, financing and risk management transactions across Asia, the Middle East, Europe and North America.

Ms. Joycelyn Siow Li Yuen
Group Financial Controller

Ms. Joycelyn Siow was educated in Singapore Polytechnic where she obtained her Diploma in Banking and Financial Services. She went on to pursue her studies in ACCA. She had 10 years of audit experience in international audit firms. During her years of audit experience, she was involved in audit services for public listed companies, multinational corporations and small and medium sized enterprises. Besides audit work, she was also involved in special assignments such as internal audit, preparation of accountants' report for Initial Public Offers and Reverse Takeovers and due diligence review.

She left an international audit firm as Senior Audit Manager to join Yoma Strategic as Group Finance Manager in June 2008. She was subsequently promoted to Group Financial Controller in May 2013.

Ms. Thiri Thant Mon
Head of Corporate Development

Ms. Thiri Thant Mon joined Yoma Strategic in 2013, returning to her home country Myanmar. Prior to Yoma Strategic, Ms. Thiri enjoyed a career in investment banking and finance with Morgan Stanley in the United Kingdom and Capital One in the United Kingdom and the United States. Her most recent role was with Morgan Stanley in London, where she was a lead banker in the fixed income derivatives business advising institutional clients in Great Britain, Benelux and Northern Europe.

She brings over 13 years of experience in capital markets, business planning, debt origination and structuring financial hedging strategies. Her first role with Yoma Strategic was Director of Business Development and subsequently in June 2014 as the Head of Financial Management. In March 2015, she was appointed as Head of Corporate Development, where she will oversee the corporate planning and monitoring function of Head Office including the annual business planning process and assist in capital allocation across the Group. She will also be responsible for the effective integration of new business entities and the design and implementation of a group wide ERP platform.

Ms. Thiri holds an MBA from the London Business School, UK (2006) and BA in Economics from the College of William and Mary, USA (1999). She is married with two sons, is an avid reader, a certified yachting skipper and an active supporter of LBS alumni community.

KEY MANAGEMENT

Mr. Arne Lugeon
Head of Human Resources

Mr. Arne Lugeon started his Human Resources career in 1992 with Firmenich SA and in 2000, he moved to Singapore to lead the company's Human Resources initiatives in the region as Vice President Human Resources and General Services for Asia Pacific. Mr. Lugeon was the Managing Director and legal representative of the AP headquarters in Singapore.

In 2008, Mr. Lugeon joined PureCircle Ltd based in Kuala Lumpur, a listed company on LSX-AIM to lead its global Human Resources, Food Safety, and Environment programs. He was also active in strategic development initiatives for the company and was a Board Member of the International Stevia Council.

From 2011 until 2013, Mr. Lugeon worked for Provident Capital Partners which operates in several countries in South East Asia leading Human Resources due diligence and turn around initiatives in the Telecom Towers sector as well as in a Gold and Copper exploration venture in Indonesia.

Mr. Lugeon holds a Master's degree in Business & Economics from the Hautes Etudes Commerciales ("HEC") University in Switzerland.

Mr. Lugeon was appointed in November 2013. He is responsible for all Human Resources initiatives and the development of all human capital related programs for the Group.

REAL ESTATE

Mr. Peter Crowhurst
Head of Real Estate Asset Management

Mr. Peter Crowhurst is a British national who is based in Myanmar. He joined Yoma Strategic as the Head of Real Estate Asset Management where he is responsible for the operation and investment performance of the Group's real estate assets.

Prior to joining Yoma Strategic, Mr. Crowhurst spent ten years with ING Real Estate Investment Management as Head of Asset Management for China and Country Manager for Taiwan managing assets for co-mingled funds and company balance sheet investments. He was the portfolio manager for ING Life for their real estate transactions in Taiwan.

His career in China commenced with China National Cereals Oils and Foodstuffs Import Export Corporation ("COFCO") a Chinese State Owned Enterprise initially as General Manager of their flagship hotel in Beijing and he subsequently managed their commercial and retail real estate portfolio.

He has extensive experience in all real estate asset classes that include, but not limited to, full service hotels, retail centres, residential development & commercial as an operating General Manager and Asset Manager.

Mr. Crowhurst has been working in Asia for the past 25 years and prior to that in London. He is a full member of the Institute of Hospitality the UK professional body for hospitality excellence, and studied at Ealing College London and Cornell University, New York. Mr. Crowhurst was appointed in February 2013.

Mr. Steven Nelson
Head of Project Management, Real Estate

Mr. Steven Nelson was born and educated in Australia where he obtained his Building Diploma and commenced his career in 1971 with an established Sydney-based construction and development company. In 1975, with a transfer to the Australian Capital Territory he further gained immense experience in the areas of construction engineering management, quantity survey, design management, infrastructure development and project management with various hotels, commercial and high rise office buildings, residential and government and private development projects.

In 1984, he established a Building and Project Management consultancy services company specialising in 'FastTract" constructing of Ski Resort development projects up to March 1995, when he joined SPA Project Management as a Construction Manager for the Sand-River Golf Course development in Shenzhen, China. In August 1997, he was appointed Project Manager for Pun Hlaing Golf Estate development. In February 2001 he was appointed as Project Director of Pun Hlaing Golf Estate. He is currently a Director of SPA Project Management Services Ltd.

Mr. Stephen Purvis
Project Director, Real Estate

Mr. Stephen Purvis is a chartered member of the Royal Institute of British Architects. He graduated with Bachelors of Arts (Hons) in Architecture from Newcastle University and then took his Bachelors in Architecture at Westminster University. During his thirty years of professional experience, Mr. Purvis has been active mainly on the developer's side of the property equation. After graduating, he was a junior partner in a London based

KEY MANAGEMENT

development company, Charterhouse Estates Ltd, where he built up the design department developing substantial mixed use city centre projects, storage and housing, which gave him an early grounding in the planning and project management of difficult construction projects. As Charterhouse Estates Ltd expanded, Mr. Purvis also took on an additional masterplanning role, producing realtime masterplans such as that for Merchant City Liverpool.

After a period of developing hospitality projects around the UK and acting as project manager for high profile clients such as the Prince of Wales Foundation, Mr. Purvis became director in the Cuba focused country fund, Coral Capital Group Ltd, where he was in charge of long term equity projects. At Coral, he oversaw the design, funding, construction and operation of a series of hotels such as the acclaimed Hotel Saratoga, together with industrial and real estate projects. Notably, he also masterplanned the new container port and economic zone of Mariel with partner Dubai Ports World.

Mr. Purvis was appointed in December 2013.

AUTOMOTIVE

Mr. Michael Rudenmark
Head of Automotive

Mr. Michael Rudenmark has lived in Yangon for the past 18 years and has extensive experience in the Myanmar automotive market as the Founder and Managing Director of GCI, automobile sales and after sales company, from April 1996 to January 2013.

Mr. Rudenmark was appointed, subsequent to the acquisition of GCI by Yoma Strategic, Managing Director (Automotive) in March 2013 and he is responsible for growing the automotive business division for the Group, including exploring and evaluating opportunities to bring in new automotive brands into the Group.

AGRICULTURE

Mr. Tin Htut Oo
Chairman of Agriculture

Mr. Tin Htut Oo had an illustrious career that spanned 37 years with the Ministry of Agriculture and Irrigation of Myanmar, retiring as Director General, Department of Agriculture Planning.

During his tenure with the Ministry of Agriculture, he has amassed vast experience in field work as well as participated in many international and regional forums on food security and eradication of hunger. Most notably, he has worked as Agricultural Expert in many projects implemented by the UN Food and Agriculture Organization (“FAO”), International Fund for Agricultural Development (“IFAD”), Asian Development Bank Institute (“ADBI”) and UN Economic and Social Commission for Asia and the Pacific (“UNESCAP”) in the developing countries of the Asia and the Pacific region. He has attended and participated in international and regional summit meetings and high level conferences on food, agriculture, natural resources and climate change as the leader or member of Myanmar delegations.

Mr. Tin has been awarded Excellent Performance in Administrative Field (Second Class) in 2001, followed by Excellent Performance in Administrative Field (First Class) in 2002. He holds a Bachelor’s degree from the Institute of Agriculture, Mandalay, Myanmar and a master’s degree from the Ohio State University, USA.

He joined Plantation Resources Pte. Ltd. as Chief Operating Officer effective in June 2010. He is now serving as the Chairman of the National Economic and Social Advisory Council (“NESAC”) of the President of the Union of Myanmar.

TOURISM

Mr. Brett Melzer and Ms. Khin Omar Win
Co-Owner and Heads of Balloons over Bagan

In 1999, Ms. Khin Omar Win and Mr. Brett Melzer co-founded Balloons over Bagan, the largest commercial balloons operations in Asia, and went on to conceptualise, develop and operate two award winning luxury properties, The Malikha Lodge, Myanmar and Gangtey Goenpa Lodge, Bhutan.

Following the successful acquisition of a majority interest in Balloons over Bagan by Yoma Strategic, Mr. Melzer and Ms. Win joined the Group in June 2013.

Mr. Melzer and Ms. Win completed their tertiary education in the United Kingdom, with respective degrees in Economics and Development Studies.

AWARDS AND ACCOLADES

Good corporate governance has been a cornerstone of the Group from day one and the Group believes responsible business practices are key to sustainable growth, especially in an emerging market like Myanmar. The recognition of the following awards and accolades helps to reinforce the Group's continuous commitment to achieving high standards of corporate governance. It is also in part recognition of the efforts that the Board, management and staff have put in to adhere to the strict policies and practices of good corporate governance. Such accolades and awards will also spur the Group to further improve our business practices and enhance our transparency to benefit all stakeholders.

Governance & Transparency Index

The Group was ranked in the top 5% of SGX-listed companies in the 2014 Governance & Transparency Index and placed 26th out of the 644 SGX-listed companies that were evaluated, representing a marked improvement over its 74th ranking in 2013 and 177th in 2012.

ASEAN Corporate Governance Scorecard

For the second year running, Yoma Strategic has been selected for the Singapore portion of the ASEAN Corporate Governance Scorecard (the "Scorecard"). In the 2014 Scorecard, Yoma Strategic was ranked 18th among 100 largest SGX-listed companies.

The Scorecard, which is the joint initiative of the ASEAN Capital Markets Forum and the Asian Development Bank, examines corporate governance performance of public listed companies in six ASEAN countries, namely Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam. The assessment is based on publicly available information and benchmarked against international best practices that encourage publicly listed companies to go beyond national legislative requirements.

Singapore Corporate Awards

Following this, in the 2015 Singapore Corporate Awards ("SCA"), Yoma Strategic has won the Best Managed Board Award (Silver) for the "Companies with S$300 million to S$1 billion in market capitalisation" category. The SCA represents Singapore's highest accolade in Corporate Governance, and is co-organised by the Institute of Singapore Chartered Accountants ("ISCA"), Singapore Institute of Directors ("SID") and The Business Times, supported by the Accounting and the Corporate Regulatory Authority ("ACRA") and SGX.

Other Awards

Yoma Strategic was also voted by Finance Asia's audience of portfolio managers and buy-side analysts as the Best Small-cap Company in Singapore in 2014.

The Group is also proud to receive the prestigious "Best Developer" award at the inaugural Myanmar Property Awards in June 2015. Its flagship project, Star City also won the "Best Landscape Architecture" award and was also shortlisted for the "Best Interior" and "Best Residential". "Galaxy Towers" at Star City received a "Highly Commended" certificate for the residential category. The event is part of the decade-old Asia Property Awards organised by Ensign Media, which is also the publisher of Asia's leading real estate publication Property Report magazine. The award ceremony was the result of a six-month nomination process and comprehensive site visits conducted by an independent panel of judges.

INVESTOR RELATIONS

Yoma Strategic is committed to providing the investment and media communities with regular, effective, unbiased and transparent information. It engages investors actively through a wide variety of communication channels such as meetings, conference calls, site visits, roadshows and investor conferences to enhance existing and potential investors' understanding of the Group and its operating environment in Myanmar.

Inaugural Shareholders' Trip

The Company took the initiative to organise an annual shareholders' trip to Yangon, Myanmar specifically designed for retail shareholders. The annual shareholder's trip is part of the Company's continuous effort to enhance its communication with shareholders as it continues to seek effective ways to further engage its smaller shareholders beyond the Annual General Meeting.

The Company hosted its second shareholders' trip to Myanmar from 20 to 22 March 2015 in Yangon. The trip was for shareholders who had expressed an interest to visit the Company's projects and gave them the opportunity to interact with key management. Some 76 shareholders of various nationalities, namely, Singapore, Malaysia, Belgium, France, Germany and the United States participated in the trip, compared to the 63 shareholders in the previous year.

Feedback from shareholders who went on the trip was very positive, as they expressed that the trip offered them a first-hand experience of the Company's operations and a greater appreciation of its long-term growth potential.

Regular Communication with Investment Community

The Company holds analyst and media briefings half-yearly with the CEO and other key members of management being present to communicate its financial results, strategies and outlook. When there are major or significant business developments, the Company holds additional stand-alone analyst and media briefings that complement the SGX announcements. The presentation materials for these briefings are also immediately uploaded on SGXNet. Site visits to the Company's real estate projects in Yangon are frequently arranged for investors and analysts.

During the year, management also participated in investor conferences and non-deal roadshows in Singapore, Hong Kong SAR, Bangkok, United States and Europe.

Please refer to the following Investor Relations' calendar for the list of events held in the past 12 months:

Investor Relations Calendar

Date	Event	Organiser
25 Jul 2014	Annual General Meeting, Singapore	Yoma Strategic
3 Sep 2014	Future Forward Asean Corporate Day 2014, Singapore	Goldman Sachs
4 Sep 2014	ASEAN Conference 2014, Singapore	UBS
16 – 18 Sep 2014	21st CLSA Investors' Forum 2014, Hong Kong SAR	CLSA
29 Oct 2014	1H2015 result briefing to analysts, Singapore	Yoma Strategic
30 – 31 Oct 2014	Non-deal roadshow, New York	CLSA
4 – 5 Nov 2014	Non-deal roadshow, London	CLSA
7 Nov 2014	Double in 3/ Triple in 5 Asia Pacific Emerging Conference 2014, Singapore	Standard Chartered Bank
5 Jan 2015	DBS Vickers Pulse of Asia Conference, Singapore	DBS Bank
6 Jan 2015	Extraodinary General Meeting, Singapore	Yoma Strategic
23 – 25 Feb 2015	Non-deal roadshow, London and United States (San Francisco, Denver, Chicago)	CLSA
26 – 27 Feb 2015	Frontier Markets Conference 2015, New York	Auerbach Grayson and Morgan Stanley
4 – 6 Mar 2015	2015 ASEAN Conference, Singapore	Bank of America Merill Lynch
11 – 13 Mar 2015	12th CLSA Asean Forum, Bangkok	CLSA
20 – 22 Mar 2015	Shareholders' Trip, Yangon	Yoma Strategic
25 – 26 Mar 2015	18th Annual Asian Investment Conference, Hong Kong SAR	Credit Suisse
22 May 2015	FY2014 results briefing to analysts, Singapore	Yoma Strategic
4 – 5 Jun 2015	UBS LVMC Conference 2015, Bangkok	UBS

RISK MANAGEMENT

The Board of Directors has overall responsibility for the establishment and oversight of the Group's Risk Management Framework. The Audit & Risk Management Committee ("ARMC") is responsible for developing and monitoring the Group's risk management policies.

In accordance with the SGX-ST Listing Rules and the Singapore Code of Corporate Governance 2012, the Group has implemented the Risk Management Framework to facilitate the ARMC and the Board in:

- identifying and assessing the strategic, financial, operational, compliance and information technology risks;
- establishing the controls mitigating the risks identified; and
- confirming that there are adequate and effective controls to manage the risks of the Group.

The Risk Management Framework provides a sound system of risk management and internal control, and is underpinned by a strong foundation of strong corporate governance culture, supported by five pillars of management control system being: Policies & Procedures; Internal & External Audits; Due Diligence Reviews; Compliance Monitoring & Reporting; and Enterprise Risk Assessments, all of which are overseen by the ARMC and the Board.

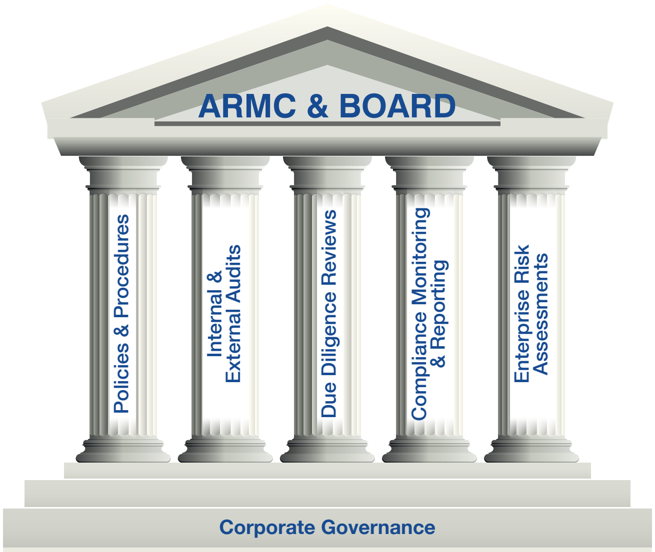


Figure: Risk Management Framework at Yoma Strategic Holdings Ltd.

Assurance

The ARMC and the Board provide guidance in the design, implementation and monitoring of the Risk Management Framework to ensure efficiency and effectiveness in identification, evaluation and management of risks, to safeguard Shareholders' interests and the Company's assets. Internal audits on the reviews of the risk management controls and procedures are undertaken regularly and on an ad hoc basis, the results of which are reported to the ARMC.

Enterprise Risk Assessment

Half yearly and annual enterprise risk assessments are carried out to: validate the existence and effectiveness of the controls in place; review the changes in risk profile; and update the existing controls if required. The process provides the ARMC and the Board with insight information of the challenges that the entities are facing as well as the degree of residual risks, through the calibrated and integrated enterprise risk register.

Risk Categories

Potential risks are classified into following categories:

Strategic Risks - entail decision making processes at the senior Management and Board of Directors' level, and risk of loss is associated with poor decision making by senior Management including product pricing, market entry and exit and any new product development.

Financial Risks - the risk that cash flows and financial risks are not managed cost effectively to maximise cash availability; uncertainty of currency; interest rate; credit and other financial risks.

Operational Risks – arise from ongoing business activities concerning people, processes and technologies necessary to deliver a service, or produce and sell the products, pertaining to efficiency and effectiveness in executing the company's business model; satisfying customers and achieving the Company's quality, cost and time performance objectives.

Compliance Risks - arise from non-compliance of regulations which include the Singapore Companies Act, the SGX Listing Rules, legal contracts and intellectual property rights.

Information Technology Risks – arise from inadequate IT governance and oversight, poorly drafted IT security policies and standards, inadequate knowledge, regulations and standards (e.g data protection rules), risks associated with the introduction of new technologies, outsourcing, etc.

Monitoring and Reporting

The risks and the adequacy and effectiveness of mitigating controls identified in the enterprise risk register are closely monitored and validated as part of Risk-Based Internal Audit ("RIBA"). Identified risks are also included and monitored in the enterprise risk register, and mitigating measures are followed up.

The ARMC oversees how Management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the Risk Management Framework in relation to the risks faced by the Group. Results of the RIBA are presented to the ARMC and the Board together with half yearly and annual enterprise risk assessment results.

Continuous Improvement Culture

Relevant trainings are provided to promote continuous improvement with the Risk Management Framework. These include programmes organised by the Singapore Institute of Directors ("SID"), discussions and workshops organised by various professional institutions and organisations.

Workshops and information sessions are held to brief relevant employees from time to time on changes in regulations, guidelines, and compliance requirements. The Group, through its training, management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

SUSTAINABILITY STATEMENT

The Company has taken steps towards sustainability as it recognises the need to take care of the environment, its people and the communities where the Group operates in, for the Group to grow. The Company works hard to meet stakeholders' expectations to earn their trust and confidence.

As a leading conglomerate operating in Myanmar, the Company hopes to lead by example. Its commitment is to be amongst the best in terms of, corporate governance, corporate sustainability and community commitment. As a signatory of the United Nations Global Compact, the Company upholds its ten (10) principles covering human rights, labour practices, environment and anti-corruption. The United Nations Global Compact is a United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The Company has submitted its annual report to affirm that it has continually improved on the integration of the principles into its business strategy, culture and daily operations.

Source: *United Nations Global Compact (www.unglobalcompact.org)*

The focus is on building future long-term resiliency for the business. The Group is committed to grow its businesses in a manner that sustains a healthy balance among diverse interests of all its stakeholders – employees and their families, business partners, customers and host communities.

What the Company has Done

The Company aims to promote sustainability to achieve its business objectives, environmental stewardship and social responsibility.

It hopes to improve business performance with operational efficiency and cost savings through a more sustainable business model, enhance its reputation with stakeholders, including investors, credit institutions, customers, employees and business partners through a sustainable economic performance, environmental and social responsibility and promote risk management and compliance and avoid penalties by catching risks early on and taking action to mitigate them.

Steps are taken to embrace sustainability and promote this value within the Group.

The Company believes that it has a strong and comprehensive governance structure accountable to its stakeholders to ensure that it operates in an ethical and responsible manner.

The Board of Directors shapes the long-term viability of the Company, review material issues and provides guidance on matters relating to shareholders and their concern, and sustainability. In addition to a Code of Conduct, the Company has also adopted various policies on conflicts of interest, anti-bribery, human rights, land acquisition and environmental health & safety which all employees abide by.

There is also a Whistle-Blowing Policy in place. The Risk Management and Assurance team, with the Legal team, evaluates and manages risks and both compliance and risk issues are reported to the Board of Directors.

A detailed Corporate Governance disclosure can be found on pages 37 to 53 of this Annual Report.

Objective

The Company will move towards full sustainability reporting as it believes that such reporting can help communicate the Company's efforts on environmental stewardship, social responsibility and its economic progress. Such a report will also provide information on its successes and failures, challenges and opportunities.

The Company will work to meet guided frameworks on sustainability.

Awards and Citations

The Company is proud to inform its stakeholders that it has received the prestigious award of Best Managed Board Award (Silver) for mid-cap category in 2015. This award is organised by the Singapore Corporate Awards which recognises listed companies and officers instrumental in raising corporate governance, transparency and disclosure standards.

The Company had also improved its ranking to the top 5% being 26 out of 664 SGX-listed companies in the 2014 Governance and Transparency Index ("GTI") done annually by the Business Times of Singapore and the National University of Singapore. The governing body rates each SGX-listed company on its governance standards, financial transparency and relations with investors and other key stakeholders.

The Company was also ranked 18th among 100 largest Singapore-listed companies in the ASEAN Corporate Governance Scorecard 2014. This is the second year that the Company has been selected for the Singapore portion of the ASEAN Corporate Governance Scorecard.

People

The Group believes that its people play a vital role in achieving its business strategy and goals. As the Group grows, it strives to continuously improve its human resource and people development practices to attract and retain the best talent.

The Group also firmly believes that it is able to deliver excellence by encouraging good people to work together in teams to create and deliver solutions with integrity and professionalism, while at the same time building long-term business relationships that will ultimately generate sustainable returns.

As an organisation, the Group sees itself as the enabler of its greatest asset - its people.

Training and Development

Merit-based Employment

The Group believes in a merit-based system where all employees, despite their varied backgrounds, are given the same level of opportunities to succeed. The Group understands the importance in giving its people the autonomy and room to grow both as individuals and as valued employees. Fulfilling careers are planned and built upon the numerous opportunities constantly generated within the whole Group. These opportunities are offered to employees based on their personal performance, regardless of gender, race, religion or nationality.

Performance management practices are implemented to help employees develop a greater sense of accountability and provide clarity on the competencies and skills that are needed for their development. To this end, the Group has adopted the Managing, Appraisal, Performance and Progress ("MAPP") program to help employees and supervisors map out performance targets against expectations and identify training needs on an annual basis. The MAPP program, which will be implemented over the next two years, will help to develop talent which in turn, will drive the Group's operational excellence.

Caring for People

The Group cares for its people and their welfare. As people will always be a vital resource in the organisation, the Group's employees will always be treated fairly and with respect. It believes in supporting the development of an organisational structure and culture that promotes motivation, performance, mutual respect, trust and transparency. The Group's organisational structure is at the forefront of ethical behaviour in Myanmar and adheres to a stringent Code of Conduct.

Talent Development

The Group implements and manages training and development programmes that support effective human resources planning and organisational development systems. This allows the Group to respond to the on-going needs for the development and progress of its employees in a fast-moving business environment.

The development and durability of the organisation rests mainly on a policy of internal promotion and transfer. People from outside will only be hired if and when there is no suitable candidate within the organisation, or with a view to acquiring the requisite expertise useful to further the Group's development.

The Group also recognises that sustainable business success entails building a strong pipeline of talent, which means having the right people in the right roles at the right time. As such, the Group recruits talents at different points in their careers to strengthen the management bench and develops various development training programmes to help identify and coach young talents with leadership potential. Appended below are the programmes implemented by the Group:

GIFT's Leadership Programmes

In September 2014, the Company hosted the GIFT (Global Institute for Tomorrow) organisation in Yangon for 25 global managers from ORIX Corporation of Japan, together with the Group's high potential Myanmar executives. The GIFT program was a leadership retreat, involving participants from 20 nations that developed a strategy to develop Myanmar's dairy industry. The participants met with different stakeholders in the dairy community – from smallholder farms to policy makers and large processors – to understand their underlying issues. They then developed strategies and presented them to the Group's Management.

Junior Management Training Programmes

In November 2014, the Group started an Agricultural Graduate Programme with seven (7) graduates from YEZIN Agricultural University.

These management trainees experienced two (2) to three (3) month attachments in the Group's agriculture-related businesses, followed by training and assessment courses. This programme is the first of its kind in Myanmar and the objective of the programme is to provide a supply of quality management trainees for the Group's growing businesses.

Number of Trainees by Courses Organised by HR

Sr.	Course Title	Total Participants
1	Excel Training	32
2	English Training - Intermediate Level	67
3	Junior Management Training (Dec 2014, Feb 2015 & Mar 2015)	62
4	TrainThe Trainer in Jan 2015	8
5	Financial Management Course (Nov 2014 to Mar 2015)	20
6	English Training - Intro, Ele & Pre - Inter Level Feb 2015	144
Total		**333**

A Leadership Training Programme was also launched in December 2014 with over 60 junior managers and potential managers being trained and assessed. All attendees were provided with a detailed PRISM Brain Mapping Profile which is the core of the three (3) day programme. Under this programme, high potential employees were identified and will be groomed for career development.

Other Training Programmes

The Group's English Language Programme has benefited over 200 employees providing them with a wide range of courses under it. The various courses are held on a continuous rolling basis which provides an opportunity for all staff to enhance their English proficiency.

In addition, more specialised Financial Management courses and Excel Training courses have also been developed with considerable emphasis placed on Train the Trainer programmes. This allows training to be delivered in the Group's different business units to smaller groups of employees and is proving highly beneficial.

Communication

The Group organises an annual conference which is participated by senior Management and managers whereby the Group's strategies and accomplishments and results are presented. Information is then communicated to all employee levels through various forms of formal and informal information sharing in divisional, departmental and team assemblies.

Corporate Social Responsibility

The Company's Corporate Social Responsibility ("CSR") activities reflect is ongoing commitment to contribute to Myanmar's development with a significant focus on education, promoting responsible business practices, and protecting the people and environment. CSR is instilled within the Group's business practices and behavior as well as its involvement in various community projects.

Yoma Yangon International Marathon

Through the annual Yoma Yangon International Marathon ("YYIM") event that is in its second year in 2015, the Company and its employees have an impact on the local community through the promotion of healthy living. The YYIM held in Yangon on 11 January 2015 saw an almost doubling of participants from the previous year to a total of 4,236 runners, of which nearly 80% were Myanmar citizens.

The fund raising from the YYIM registration fees has benefited three (3) adopted charity organisations that are committed to the education and healthcare of underprivileged Myanmar children. The organisations are:

(a) YCDC Non Profit Child Day Care Center for Low Income Citizen.
(b) Su Taung Pyi orphanage
(c) Aung Zabu orphanage

National Small & Medium Entrepreneur Responsible Business Practice Seminar and Workshops

The Company is also working with Myanmar Business Coalition on Aid ("MBCA") to deliver its CSR activities in Myanmar. The projects are mainly in the education sector providing a sustainable "Responsible Business Practices" platform which includes holding public seminars and workshops for Small and Medium-sized Enterprises ("SME") owners and their management teams in Myanmar. Over the past year, more than 1,000 SME owners have attended the seminars and over 83 people attended the three (3)-day workshops. With 80% of all business in Myanmar being made up of SME, the Group is committed to support this group of owners to help them thrive and grow, which eventually will see more employment in the local community.

Helping Out in Community

As a responsible corporate citizen, the Group continues to contribute to the development and uplift of the quality of life in communities where it operates.

Shwe Lay Ta Gun Travel Balloons over Bagan – "Electrification" project

The Group's Balloons over Bagan business has been working closely with local communities. Their projects focus on education and community development around their balloon landing grounds in Bagan. One of Balloons over Bagan more recent community projects was an electrification project which provided over 600 houses with access to electricity enabling night-time study, as well as, enhancing safety, security and more commercial activities in the community.

The electrification project included a community development initiative by the Australian non-governmental organization, Graceworks Myanmar, to help 80 villagers and create prosperity within the community. With the money that BOB donated, Graceworks Myanmar has able to help the village set-up their own community committee comprising five (5) men and four (4) women representing different skills and backgrounds.

Graceworks Myanmar also adopted lessons to suit the villagers' literacy levels and focused on short term activities where the committee could pilot principles of community development education ("CDE"). CDE is designed to rebuild hope and entrepreneurial imagination, empowering communities to overcome poverty, decrease and marginalisation by mobilising their innate potential, resources and relationships. Graceworks Myanmar has taught the community committee about the value of setting goals, how to cooperate and how best to use local resources. Under this initiative, the community committee has nominated the following seed projects with short-term, achievable goals:

(a) Health check for children by resident nurse
(b) Roster to maintain fresh drinking water supply
(c) Roster to control and eradicate garbage
(d) Roster to provide assistance to elderly residents.

Irrawaddy Literary Festival 2015

This is the third year running that the Company has sponsored the Irrawaddy Literary Festival. The festival's main objective is to promote the exchange of ideas and modern literature between Myanmar and some of today's best English writers. The 2015 festival held in Mandalay brought together dozens of authors from around the world, including Nobel Peace Prize laureate Daw Aung San Suu Kyi. The festival is significant to authors and journalists as it celebrates Myanmar's press freedom after the country announced the relaxation of its censorship rules, bringing new freedom of expression to its people.

Round-the-World Solar Impulse 2 Flight

"Adventure in the 21st century consists of applying human creativity and the pioneering spirit to developing a quality of life which present and future generations have a right to expect," said Bertrand Piccard, Chairman and Pilot of Solar Impulse.

Yoma Strategic, together with FMI, were the Myanmar partners for the Round-the-World Solar Impulse 2 flight. Mandalay was the third destination for this unprecedented trip and this signified a milestone of Myanmar's arrival onto the international stage. The Solar Impulse 2 is a reminder that innovation and technology is available with unrelenting persistence and imagination.

While in Mandalay, approximately 1,000 students from the surrounding universities and people from Mandalay had the opportunity to see the aircraft, met with the pilots and gained knowledge on renewable energies. The flight of the Solar Impulse 2 embodied important qualities such as precision planning and engineering; creative thinking and innovation; mental resilience to extreme conditions; and lastly, the ability to integrate different types of technology, expertise and thinking.

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "Board" or "Directors") is committed to ensuring that the highest standards of corporate governance are practised throughout Yoma Strategic Holdings Ltd. (the "Company") and its subsidiaries (the "Group"), as a fundamental part of its responsibilities to protect and enhance shareholder value and the financial performance of the Group.

This report describes the Group's corporate governance practices and structures that were in place during the financial year ended 31 March 2015, with specific reference to the principles and guidelines of the Code of Corporate Governance 2012 ("2012 Code").

The Board has adhered to all principles and guidelines of the 2012 Code as set out below. If there is any deviation from the 2012 Code, each area of non-compliance will be specified.

BOARD MATTERS

Principle 1 – Board's Conduct of its Affairs

Functions of the Board

The Company is managed by the Board which leads and controls, and is collectively responsible for the success of the Group. The Board works with the management of the Company (the "Management") to achieve this and Management remains accountable to the Board.

The role of the Board includes:

(a) providing entrepreneurial leadership, setting strategic objectives, and ensuring that the necessary financial and human resources are in place for the Company to meet its objectives;
(b) establishing a framework of prudent and effective controls which enables risks to be assessed and managed, including the safe-guarding of shareholders' interests and the Company's assets;
(c) reviewing Management's performance;
(d) identifying the key stakeholder groups and recognising that their perceptions affect the Company's reputation;
(e) setting the Company's values and standards (including ethical standards);
(f) ensuring that obligations to shareholders and other stakeholders are understood and met; and
(g) considering sustainability issues such as environmental and social factors, as part of its strategic formulation.

Delegation by the Board

To assist the Board in discharging its responsibilities and to enhance the Company's corporate governance framework, the Board had, without abdicating its responsibility, established three (3) Board Committees namely, the Audit and Risk Management Committee (the "ARMC"), the Nominating and Governance Committee (the "NC") and the Remuneration Committee (the "RC"). Each Board Committee has its own terms of reference to address their respective areas of focus. All Board Committees are chaired by an Independent Non-Executive Director. An annual performance assessment is conducted of each Board Committee.

Board Processes

All Directors objectively make decisions in the interests of the Company. Management provides the Board with regular financial and operational updates and decisions on all key matters such as material acquisitions and disposals of assets or undertakings and the release of the Company's results are made by the Board.

During the financial year ended 31 March 2015, the Board met on eight (8) occasions to review and approve various matters relating to business strategies, activities and performance of the Group. Board meetings are scheduled to coincide with quarterly financial results reporting in order to facilitate a review of the financial statements and announcement of the unaudited quarterly results of the Group. Such quarterly Board meetings including a site visit are typically scheduled before the start of the financial year to enable the Directors to plan ahead to attend these meetings. Other ad-hoc Board meetings will be convened to discuss and approve material acquisitions and disposals of assets and major undertakings of the Group as and when the need arises.

The Company's Articles of Association provide for meetings to be held via telephone, electronic or other communication facilities which permits all persons participating in the meeting to communicate with each other simultaneously. Where the attendance of certain Directors was not physically possible, the meeting was conducted with these Directors communicating through teleconferencing. To further facilitate the efficient management of the Group, resolutions of the Board would be passed by way of circulating resolutions pursuant to the Articles of Association of the Company. The attendance of the Directors at meetings of the Board and Board Committees, as well as the frequency of such meetings during the financial year ended 31 March 2015, are disclosed in this Annual Report. Notwithstanding such disclosure, the Board is of the view that the contribution of each Director should not be focused only on his attendance at meetings of the Board and/or Board Committees. A Director's contribution also extends beyond the confines of the formal environment of such meetings, through the sharing of views, advice, experience and strategic networking relationships which would further the interests of the Company.

In addition to the formal Board meetings set out below, the Board also held a Board retreat at an off-site location in the course of the financial year ended 31 March 2015 to discuss broader issues of strategy and business direction for the Group. The Board also plans to hold at least one Board meeting a year in Myanmar, where the Group has most of its operations, so that the Board can be better apprised of the business developments there. For the financial year ended 31 March 2015, the Board and ARMC meetings in October 2014 were convened in Yangon and the Directors visited key project sites including sites which were subject to proposed acquisitions by the Group.

Board meetings generally last a full day and may include presentations by senior executives and external consultants/experts on strategic issues relating to specific business areas, as well as presentations by the Group's associates. This allows the Board to develop a good understanding of the Group's businesses and to promote active engagement with the Group's partners and key executives.

Directors' Attendance at Board meetings and Board Committee meetings held during the financial year ended 31 March 2015

Name	Board Meeting Attendance	ARMC Meeting Attendance	NC Meeting Attendance	RC Meeting Attendance
Total number of meetings held	8	6	1	2
Executive Directors				
Mr. Serge Pun @ Theim Wai ("Mr. Serge Pun")	8	NA	NA	NA
Mr. Pun Chi Yam Cyrus ("Mr. Cyrus Pun")	8	NA	NA	NA
Mr. Andrew Jonathan Rickards ("Mr. Andrew Rickards")	8	NA	NA	NA
Non-Executive Directors				
Mr. Kyi Aye	8	6	1	2
Mr. Adrian Chan Pengee ("Mr. Adrian Chan")	8	6	1	NA
Mr. Basil Chan	8	6	1	2
Dr. Mohd Amin Liew Abdullah @ Liew Kong Ming ("Dr. Mohd Amin")	7	5	NA	2

All Directors attended more than seventy per cent. (75%) of Board and their respective Board Committee meetings.

Board Approval

The Board has internal guidelines whereby the approval of the Board is required for any matters which are likely to have a material impact on the Group's operating units and/or financial position as well as matters other than in the ordinary course of business. Matters that specifically require Board approval include without limitation the release of quarterly and full year results announcements, recommendation on the declaration of dividends, material acquisitions and disposals of assets, approval of annual audited financial statements for the Group and the Directors' Report thereto, approval on the nomination of Directors and appointment of key personnel and the Company Secretary, as well as other significant corporate actions.

Board Orientation and Training

The Company conducts an induction programme for newly appointed Directors which seeks to familiarize Directors with the Group's businesses, board processes, internal controls and governance practices. The induction programme includes meetings with various key executives of the Management and briefings on key areas of the Company's operations. If a new Director has no prior experience as a director of a listed company, the Company will endeavour to arrange for training appropriate to the level of his prior experience in areas such as accounting, legal and industry knowledge. The Company provides a formal letter to each new Director upon his appointment, setting out clearly the Director's duties and obligations. No new Director had been appointed during the financial year ended 31 March 2015.

The Directors are also provided with updates and/or briefings from time to time by professional advisers, auditors, Management and the Company Secretary in areas such as directors' duties and responsibilities, corporate governance practices, risk management matters and changes in financial reporting standards. In the course of the financial year ended 31 March 2015, the Board received updates in the areas of corporate governance and the impact and implications on the Company of changes to certain new Singapore Financial Reporting Standards. Directors also attended seminars, conferences and presentations to supplement and keep themselves updated on areas such as accounting, legal and industry-specific knowledge. The Company will also, where it feels appropriate, arrange for training courses for Directors which it will fund. In addition, Directors are also at liberty to approach Management should they require any further information or clarification concerning the Group's operations.

Principle 2 – Board Composition and Guidance

The Board comprises seven (7) Directors of whom three (3) are Executive Directors and four (4) are Independent Non-Executive Directors. All four (4) Independent Non-Executive Directors together comprise more than fifty per cent. (50%) of the Board of Directors. For the financial year ended 31 March 2015, none of the Executive Directors serve on the boards of listed companies outside the Company.

Profiles and qualifications of the Directors are set out in the Board of Directors section of this Annual Report. The listed directorships currently held by the Directors and in the last three (3) years are as follows:-

Name	Listed directorship as at the date of this Annual Report	Listed directorship in the last three (3) years
Mr. Serge Pun	The Company	-
Mr. Cyrus Pun	The Company	-
Mr. Kyi Aye	The Company	-
Mr. Adrian Chan	The Company, Global Investments Limited, Biosensors International Group Limited, Nobel Design Holdings Limited, Ascendas Funds Management (S) Limited, and Hong Fok Corporation Limited	UPP Holdings Limited, Isetan (Singapore) Limited, AEM Holdings Ltd
Mr. Basil Chan	The Company, Grand Banks Yachts Limited, Global Invacom Group Limited, Singapore eDevelopment Limited, AEM Holdings Limited, and SBI Offshore Limited	Teledata (Singapore) Limited
Mr. Andrew Rickards	The Company	Charm Communications Inc.
Dr. Mohd Amin	The Company	Progen Holdings Ltd

The compositions of the Board and Board Committees as at the date of this Annual Report are set out below. None of the Independent Non-Executive Directors has served on the Board for more than nine (9) years as at 31 March 2015.

Name	Date of First Appointment	Last Re-election	Board	ARMC	RC	NC
Mr. Serge Pun[(1)]	17 August 2006	30 July 2013	Chairman	-	-	-
Mr. Cyrus Pun	21 February 2011	25 July 2014	Member	-	-	-
Mr. Kyi Aye	17 August 2006	25 July 2014	Member	Member	Member	Member
Mr. Adrian Chan	17 August 2006	25 July 2014	Member	Member	-	Chairman
Mr. Basil Chan	17 August 2006	30 July 2013	Member	Chairman	Member	Member
Mr. Andrew Rickards[(2)]	21 November 2011	21 November 2011	Member	-	-	-
Dr. Mohd Amin	10 April 2012	25 July 2014	Member	Member	Chairman	-

Notes:

(1) Mr. Pun Chi Tung Melvyn ("Mr. Melvyn Pun") had been appointed as the alternate Director to Mr. Serge Pun since 20 September 2012.

(2) The Company had announced on 22 May 2015 that immediately after the annual general meeting to be convened on 27 July 2015, Mr. Andrew Rickards will cease to be the Chief Executive Officer and Executive Director of the Company and Mr. Melvyn Pun will be appointed as the Chief Executive Officer and Executive Director.

Board Independence

There is a strong and independent element on the Board. The Independent Non-Executive Directors are Mr. Adrian Chan, Dr. Mohd Amin, Mr. Basil Chan and Mr. Kyi Aye, comprising more than half of the Board. Mr. Adrian Chan serves as the Lead Independent Director.

The Board has decided to adopt a more stringent test of what constitutes an Independent Director in its review by using the reference to substantial shareholders as opposed to ten per cent. (10%) shareholder in the definition of independence. The 2012 Code defines an "independent director" as one who has no relationship with the Company, its related companies, its ten per cent. (10%) shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment with a view to the best interests of the Company. The independence of each Director is also reviewed annually by the NC. The NC requires each Independent Non-Executive Director to confirm his relationships with the Company, Management, officers and substantial shareholders in writing every year and reviews these confirmations of independence with the Director concerned abstaining and not taking part in any such deliberations. The NC will recommend the independence of the Independent Non-Executive Directors to the Board only after it is satisfied that the independence of these Directors is not compromised. The Board, after taking into consideration the recommendations of the NC, is of the view that the Independent Non-Executive Directors are not only independent in light of the provisions of the 2012 Code, but that they are also independent from substantial shareholders and that no individual or small group of individuals dominates the Board's decision making process.

Directors' Participation

Independent Non-Executive Directors contribute to the Board process by monitoring and reviewing Management's performance. Their views and opinions provide alternative perspectives to the Group's business. When challenging Management's proposals or, decisions, they bring independent judgment to bear on business activities and transactions involving conflicts of interests and other complexities. The Independent Non-Executive Directors also meet and communicate regularly through emails without the presence of Management so as to facilitate a more effective check on Management.

Board Composition and Size

The Board comprises business leaders and professionals with financial, legal and business management backgrounds. The Board has reviewed its composition, taking into account the scope and nature of the operations of the Group, and is satisfied that the current size of the Board is appropriate and allows for effective decision making. The standing of the members of the Board in the business and professional communities, and with their combined business, management and professional experience, knowledge and expertise, provide the necessary core competencies to meet the Group's needs and to allow for diverse and objective perspectives on the Group's strategic direction and growth. At least one Independent Non-Executive Director, Mr. Kyi Aye, has extensive business experience in Myanmar, where the Group has most of its business operations. In addition, Dr. Mohd Amin, another Independent Non-Executive Director, has extensive investing experience in the industries where the Group operates.

Principle 3 – Chairman and Chief Executive Officer

There is a clear separation of the roles and responsibilities of the Executive Chairman and the Chief Executive Officer (the "CEO") of the Company.

Role of Chairman

Mr. Serge Pun is the Executive Chairman of the Company.

Mr. Serge Pun plays an instrumental role in providing the Company with strong leadership and vision, assisting the Board to develop policies and strategies, and ensuring that these are implemented effectively. As the Executive Chairman, he bears primary responsibility for the workings of the Board, by ensuring effectiveness in all aspects of its role including setting the agenda for Board meetings with input from Management, and exercising control over the quality, quantity and timeliness of information flow between the Board and Management. He ensures that adequate time is available for discussion of all agenda items, in particular, strategic issues, and he also facilitates the effective contribution of Non-Executive Directors. At annual general meetings and other shareholder meetings, he plays a pivotal role in fostering constructive dialogue between shareholders, the Board and Management.

Role of the CEO

Mr. Andrew Rickards is the CEO of the Company(1).

The role of the CEO includes:

(a) running the day to day operations of the Company; and
(b) implementing the Company's strategies and policies.

The Executive Chairman and the CEO are not related. In line with best practices in corporate governance, the respective duties and responsibilities of the Executive Chairman and the CEO have been formalized in writing and approved by the Board**.**

Note:

(1) The Company had announced on 22 May 2015 that immediately after the annual general meeting to be convened on 27 July 2015, Mr. Andrew Rickards will cease to be the CEO and Executive Director of the Company and Mr. Melvyn Pun will be appointed as the CEO and Executive Director.

Role of the Lead Independent Director

As the Executive Chairman and CEO are both part of Management, the Board appointed Mr. Adrian Chan as the Lead Independent Director to lead and co-ordinate the activities of the Independent Non-Executive Directors in circumstances where it would be inappropriate for the Executive Chairman to serve in such capacity. The Lead Independent Director assists the Board in ensuring effective corporate governance in managing the affairs of the Board and the Company. He also serves as Chairman of the NC.

Principle 4 – Board Membership

NC Composition and Role

The NC comprises:-

(a) Mr. Adrian Chan (Chairman);
(b) Mr. Kyi Aye; and
(c) Mr. Basil Chan.

All members of the NC including the Chairman are Independent Non-Executive Directors. The Lead Independent Director is the Chairman of the NC.

The NC is regulated by a set of written terms of reference endorsed by the Board, setting out the duties and responsibilities of its members. The responsibilities of the NC include:

(a) developing and maintaining a formal and transparent process for the appointment of new Directors, including the nomination and selection process of the new Director and how he/she will fit in the overall competency of the Board;
(b) reviewing the Board succession plans for Directors;
(c) determining annually whether a Director is independent, bearing in mind the circumstances set forth in the 2012 Code;
(d) recommending to the Board as to whether the Director is to be considered independent, based on the returns submitted by the Directors upon appointment and subsequently on an annual basis in the form set out in the NC's terms of reference;
(e) reviewing the change in circumstances upon notification of an Independent Director to the Board that he no longer meets the criteria for independence as a result of a change in circumstances and making its recommendation to the Board;
(f) deciding whether a Director is able to and has adequately carried out his duties as a Director of the Company in particular where the Director concerned has multiple board representations;
(g) developing and maintaining a formal assessment process for the evaluation of the effectiveness of the Board as a whole and the contributions of each individual Director to the Board's effectiveness;
(h) developing a process for evaluation of the performance of the Board, its Board Committees and Directors;
(i) deciding on how the Board's performance may be evaluated and proposing objective performance criteria for the Board's approval;
(j) retaining such professional consultancy firm as it may deem necessary to enable it to discharge its duties hereunder satisfactorily;
(k) reviewing the training and professional development programs for the Board;
(l) considering the various disclosure requirements for the appointment of Directors, particularly those required by regulatory bodies such as the Singapore Exchange Securities Trading Limited ("SGX-ST"); and
(m) undertaking such other duties as may be agreed to between itself and the Board.

Re-nomination of Directors

The NC reviews annually the nomination of the relevant Directors for re-election and re-appointment as well as the independence of Directors. The NC conducts an annual performance assessment of individual Directors. When considering the nomination of Directors for re-election and re-appointment, the NC takes into account their contribution to the effectiveness of the Board, preparedness, participation and the competing time commitments faced by Directors with multiple board representations. The NC, in assessing the performance of each individual Director, considers whether sufficient time and attention has been given by the Director to the affairs of the Company. It also has regard to the Director's other Board memberships and commitments.

Notwithstanding that some of the Directors have multiple board representations, the Board and NC are of the view that the Directors have demonstrated their commitment and effectiveness in discharging their duties and responsibilities and avoiding actual or potential conflicts of interest from serving on other Boards. The NC noted the confirmations from Directors who held multiple board representations that their time/effort in carrying out their duties as Directors of the Company would not be compromised. In determining whether each Director is able to devote sufficient time to discharge his duty, the NC has taken note of the 2012 Code requirement, but it is of the view that its assessment should not be restricted to the number of board representations of each Director. The contributions by Directors to and during meetings of the Board and Board Committees as well as their attendance at such meetings should also be taken into account. Nonetheless, the Company has instituted guidelines that address the competing time commitments that are faced when Directors serve on multiple boards. For the financial year ended 31 March 2015, the NC was satisfied with the good attendance record by Directors at Board and Board Committee meetings.

The Directors are subject to re-election at least once every three years and the Articles of Association of the Company provide that at least one-third of the Directors (including the Executive Chairman) for the time being, shall retire as Directors at each annual general meeting ("AGM") of the Company. Shareholders are provided with relevant information on the candidates for election or re-election.

At the forthcoming AGM, Mr. Serge Pun, Mr. Basil Chan and Mr. Cyrus Pun will retire and seek re-election pursuant to Article 104 of the Company's Articles of Association. Mr. Kyi Aye will retire and seek re-appointment pursuant to Section 153(6) of the Companies Act (Cap. 50), to hold office until the next AGM of the Company.

Criteria and Process for Appointment of New Directors

The NC's criteria for the selection and appointment of new Directors is based on potential candidates' skills, knowledge and experience. The NC would conduct a review of the skills and experience that is needed of a potential candidate and thereafter actively seek out such potential nominees that can provide positive contributions in those areas to the Board by conducting external searches. The NC will take an active role in screening and interviewing potential candidates before assessing the candidate's suitability and recommending him for nomination to the Board. The NC will also consider the need to position and shape the Board in line with the evolving needs of the Company and the business.

The NC has fulfilled its duty of making the requisite recommendations to the Board on all Board appointments, re-nominations and re-elections.

Succession Planning

As part of the process of succession planning for the Board and senior Management, Mr. Andrew Rickards was appointed as the CEO of the Company in November 2011 so that the roles of Chairman of the Board and the CEO are kept separate. In addition to Mr. Cyrus Pun, an Executive Director, Mr. Melvyn Pun, another son of Mr. Serge Pun, had been an alternate director to Mr. Serge Pun since 20 September 2012. In May 2015, the NC had recommended that Mr. Melvyn Pun be appointed as Executive Director and CEO of the Company in line with succession planning. The Board had concurred with the NC that Mr. Melvyn Pun is a suitable candidate for the position of Executive Director and CEO and has approved his appointment, with effect from 27 July 2015.

The Company also appointed and re-designated a few executives to bolster the overall strength and depth of the Management team and with a view to ensuring proper succession planning in the various Management roles.

Principle 5 – Board Performance

The Board and the NC strive to ensure that Directors on the Board possess the experience, knowledge and skills relevant to the Group's business so as to enable them to make sound decisions. The Board also holds annual Board retreat at off-site locations with Management to discuss broader issues of strategy and business direction for the Group.

Board Evaluation Process

The Board acknowledges the importance of a formal assessment of the Board's performance and the NC has adopted a formal system of evaluating the performance of the Board as a whole and its Board Committees, as well as to assess the contributions of each individual Director which had been made during the financial year ended 31 March 2015.

For the financial year ended 31 March 2015, an independent external party was appointed to facilitate the evaluation of the Board and Board Committees. Directors were requested to complete appraisal forms to assess the overall effectiveness of the Board and the Board Committees. The appraisal process took into account factors and criteria such as the Board's structure, size, composition, conduct of meetings, processes, responsibilities and communication with shareholders. Completed forms were returned for collation and compilation on a non-attribution basis, so that open and frank feedback and comments can be encouraged. The compiled report was then sent to the NC for its deliberation and discussion. The NC made its recommendations to, and shared its conclusions with the Board.

The NC has also made available a process of assessment of the contribution made by each individual Director towards the effectiveness of the Board and the Board Committees, taking into account factors such as the Director's attendance, participation and contribution at Board and Board Committee meetings. The NC also takes into consideration the feedback from individual Directors on areas relating to the Board and the Board Committee's competencies and effectiveness.

Principle 6 – Access to Information

Complete, Adequate and Timely Information and Access to Management

Prior to each meeting, members of the Board and the Board Committees are provided with the meeting agenda and the relevant documents submitted by Management, containing where possible and practicable, complete, adequate and timely information to enable full deliberation on the issues to be considered at the respective meetings. Management also regularly keeps the Board updated on the operational activities, future prospects, progress and development of the Company. Comprehensive quarterly financial reports, which include background and explanatory information, are submitted to the Board for approval and release to the public. Management and the Company's auditors, who can provide additional insight into the matters for discussion, are also invited from time to time to attend such meetings.

In addition, Directors receive analysts' reports on the Company and weekly Myanmar news updates. Such reports and news updates enable the Directors to keep abreast of key issues and developments in the industry, as well as challenges and opportunities for the Group.

The Directors have separate and independent access to Management as and when they require further enquiries or additional information. Management endeavors to meet their requirements in a timely manner so as to enable them to make informed decisions.

Company Secretary

The Board has separate and independent access to the Group's senior Management and the Company Secretary. The Company Secretary plays a significant role in supporting the Board in discharging in duties, and is trained in legal and company secretarial practices. The responsibilities of the Company Secretary include:

(a) attending all Board meetings;
(b) preparing minutes of these meetings;
(c) ensuring compliance with applicable laws and regulations;
(d) ensuring compliance with internal procedures and guidelines of the Group;
(e) the maintenance and updating of all statutory books and records;
(f) ensuring good information flows within the Board and the respective Board Committees and between Management and Independent Non-Executive Directors; and
(g) advising the Board on governance matters.

The appointment and removal of the Company Secretary is a matter for the Board to decide as a whole.

Independent Professional Advice

The Directors, whether as a group or individually, are entitled to seek and listen to independent professional advice, in furtherance of their duties and in the event that circumstances warrant the same. The expenses incurred in procuring such advice shall be borne by the Company.

REMUNERATION MATTERS

Principle 7 – Procedures for Developing Remuneration Policies
Principle 8 – Level and Mix of Remuneration
Principle 9 – Disclosure on Remuneration

Composition and Role of RC

The RC comprises:

(a) Dr. Mohd Amin (Chairman);
(b) Mr. Kyi Aye; and
(c) Mr. Basil Chan.

All members of the RC including the Chairman are Independent Non-Executive Directors. The RC met twice during the financial year ended 31 March 2015.

The RC is regulated by a set of written terms of reference, setting out the duties and responsibilities of its members. The responsibilities of the RC include:

(a) developing and maintaining a formal and transparent policy for the determination of the Directors' remuneration including but not limited to the Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind;
(b) recommending to the Board a framework of remuneration for the Directors and specific remuneration packages for each Executive Director and the CEO;
(c) reviewing the remuneration of senior Management;
(d) considering what compensation commitments the Directors' contracts of service, if any, would entail in the event of early termination;
(e) ensuring that the level of remuneration offered is appropriate to the level of contribution, taking into account factors such as effort and time spent, pay and employment conditions within the industry and in comparable companies and responsibilities undertaken;
(f) reviewing whether the Directors should be eligible for benefits under long-term incentive schemes and to evaluate the costs and benefits of long-term incentive schemes;

(g) making recommendations in consultation with the CEO and submitting its recommendations for endorsement by the entire Board;
(h) retaining such professional consultancy firm as it may deem necessary to enable it to discharge its duties hereunder satisfactorily;
(i) considering the various disclosure requirements for the Directors' remuneration, particularly those required by regulatory bodies such as the SGX-ST, and ensuring that there is adequate disclosure in the financial statements to ensure and enhance transparency between the Company and relevant interested parties; and
(j) undertaking such other duties as may be agreed to by itself and the Board.

RC's Evaluation Criteria and Recommendations on Directors' Remuneration

During the financial year ended 31 March 2015, the RC made recommendations regarding the framework of remuneration for the Directors and submitted them for endorsement by the entire Board. The RC's recommendations covered all aspects of remuneration, including but not limited to the Directors' fees, salaries and benefits in kind. In setting remuneration packages, the RC took into account the performance of the Group, as well as individual Directors and key executives, aligning their interests with those of shareholders and linking rewards to corporate and individual performance. In its deliberations, the RC took into consideration industry practices and norms in compensation. The RC also reviewed and made the requisite recommendations in relation to the remuneration of senior Management during the course of the financial year ended 31 March 2015 and submitted them for endorsement by the Board. No Director was involved in deciding his own remuneration. The RC sought expert advice and views on remuneration and governance matters from both within and outside the Group as appropriate.

In setting the remuneration packages of the Executive Directors and key Management personnel, the RC takes into consideration the remuneration and employment conditions within the same industry and of comparable companies as well as the Group's size and scope of operations. A significant and appropriate portion of the Executive Directors' and key Management personnel's' remuneration is structured so as to link rewards to corporate and individual performance. Such performance-related remuneration takes into account the risk policies of the Company, is symmetric with risk outcomes and is sensitive to the time horizon of risks. In assessing the performance of the Executive Directors and key Management personnel, the RC takes into account the financial and operational performance of the Group as well as Management's execution and expansion growth of the Company. The RC has the discretion not to award incentives in any year if an Executive is involved in misconduct or fraud resulting in financial loss to the Company.

Shareholders had on 25 May 2012 approved the Yoma Strategic Holdings Employee Share Option Scheme 2012 (the "YSH ESOS 2012") for the remuneration of the Directors and employees of the Group. The YSH ESOS 2012 is administered by the RC. In the financial year ended 31 March 2015, the RC granted an aggregate of 4,600,000 options to key executives to incentivise them. An aggregate number of 29,495,303 options (including those which had been forfeited or exercised and taking into account adjustments) were granted to the key executives in the financial years ended 31 March 2013, 31 March 2014 and 31 March 2015. These options are subject to a vesting period whereby one-third of each grant is vested in each anniversary of the date of grant after the exercise date. Details of the YSH ESOS 2012 are set out in the Directors' Report section of this Annual Report.

The RC also recognised that long-term incentives reinforce the delivery of long-term growth and shareholder value to drive an ownership cultures and retain key talent. As such, the RC had recommended the adoption of a performance share plan ("PSP") which are equity awards provisionally granted to employees based on performance. The PSP will be tabled for shareholder's approval at a general meeting to be convened immediately after the annual general meeting.

The Company has a service agreement with:

(a) Mr. Serge Pun, which was renewed in 2013 and lasts for a period of three (3) years, unless otherwise terminated by not less than six (6) months' notice in writing by either party;
(b) Mr. Cyrus Pun, which commenced on 21 February 2011 and can be terminated by not less than six (6) months' notice in writing by either party;
(d) Mr. Andrew Rickards, which was renewed on 21 November 2013. Mr. Andrew Rickards will cease to be the CEO of the Company on 27 July 2015 immediately after the annual general meeting of the Company to be convened on 27 July 2015; and
(e) Mr. Melvyn Pun, which appointment as CEO will commence on 27 July 2015 immediately after the annual general meeting of the Company to be convened on 27 July 2015, and can be terminated by not less than six (6) months' notice in writing by either party.

Independent Non-Executive Directors are paid Directors' fees and granted discount price options based on their contribution and responsibilities on the Board and Board Committees. The Directors' fees are subject to shareholders' approval at a general meeting.

The RC has recommended to the Board the payment of the Directors' fees of S$282,400 for the financial year ended 31 March 2015. This was approved by the shareholders in the last annual general meeting on 25 July 2014.

Disclosure on Directors' Remuneration

The RC has taken into consideration the various disclosure requirements for the Directors' remuneration, particularly those required by regulatory bodies such as the SGX-ST, and also to enable adequate disclosure in the financial statements for enhanced transparency between the Company and relevant interested parties.

The level and mix of each of the Executive Directors' remuneration for the financial year ended 31 March 2015 are set out below:

Remuneration Band & Name of Director	Base / Fixed Salary inclusive of AWS and Employer's CPF	Variable Component or Bonuses inclusive of Employer's CPF	Benefits-in-kind, Allowances and Other Incentives	Share Options [(1)]	Total
	%	%	%	%	%
<u>Executive Directors</u>					
Mr. Serge Pun					
S$1,731,649	35	55	5	5	100
Mr. Andrew Rickards					
S$1,227,712	40	37	1	22	100
Mr. Cyrus Pun					
S$725,502	40	41	8	11	100

Note:

(1) This is based on the fair value of share options recognised for the financial year ended 31 March 2015.

The fee structure of the Independent Non-Executive Directors for the financial year ended 31 March 2015 is as follows:

	S$
Basic Retainer Fee	
Director	60,000
Lead Independent Director	65,000
Fee for appointment to Audit and Risk Management Committee	
Committee Chairman	8,800
Committee Member	4,400
Fee for appointment to Nominating and Governance Committee and Remuneration Committee	
Committee Chairman	3,800
Committee Member	1,925

The RC had considered the recommendations of the 2012 Code to implement a scheme to encourage Independent Non-Executive Directors to hold shares in the Company, so as to better align the interests of the Independent Non-Executive Directors with the interests of shareholders. As such, the remuneration of each Independent Non-Executive Director is a mixture of fees and share options and for the financial year ended 31 March 2015 is as follows:

Independent Non-Executive Directors	Directors' Fees S$	Share Options[1] S$	Total S$
Mr. Kyi Aye	68,250	17,017	85,267
Mr. Adrian Chan	73,250	17,017	90,267
Mr. Basil Chan	72,650	17,017	89,667
Dr. Mohd Amin	68,250	17,017	85,267

Note:

(1) This is based on the fair value of share options recognised for the financial year ended 31 March 2015.

Disclosure on Key Executives' Remuneration

The level and mix of each of the key executives' remuneration, in bands of S$250,000, for the financial year ended 31 March 2015 are set out below:

Remuneration Band & Name of Top 5 Key Management and Senior Management	Base / Fixed Salary inclusive of AWS and Employer's CPF %	Variable Component or Bonuses inclusive of Employer's CPF %	Benefits-in-kind, Allowances and Other Incentives[1] %	Share Options [2] %	Total %
S$700,000-S$950,000					
Mr. JR Ching	24	38	7	31	100
S$450,000-S$700,000					
Ms. Loo Hwee Fang	40	24	–	36	100
Ms. Thiri Thant Mon	42	11	2	45	100
Mr. David Whitting[3]	63	10	10	17	100
Mr. Peter Crowhurst	53	11	–	36	100

Notes:

(1) No termination, retirement and post-employment benefits have been granted to the Directors, the CEO or the top 5 key executives.
(2) This is based on the fair value of share options recognised for the financial year ended 31 March 2015.
(3) Mr. David Whitting had ceased to be an employee of the Company with effect from 31 May 2015.

The aggregate amount of the total remuneration paid to the 5 top key Management and senior Management for the financial year ended 31 March 2015 is S$3.0 million.

Apart from Mr. Cyrus Pun (who is the son of Mr. Serge Pun), there were no employees who are immediate family members of a director or CEO, and whose remuneration exceeds S$50,000 during the financial year ended 31 March 2015.

ACCOUNTABILITY AND AUDIT

Principle 10 – Accountability

Accountability of Board and Management

The Board undertakes the responsibility of overseeing the corporate performance of the Company and is accountable to shareholders for the processes and structure of directing and managing the Company's business and affairs. Management's role is to report to the Board on the operational and financial performance of the Group by keeping the Board informed and updated with the provision of comprehensive financial and management reports as the Board may require from time to time to enable the Board to make a balanced and informed assessment of the Company's performance, position and prospects.

Aside from adopting corporate governance practices in line with the spirit of the 2012 Code, the Company also observes obligations of continuing disclosure under the Listing Manual of the SGX-ST ("Listing Manual"). The Company undertakes to circulate timely, adequate and non-selective disclosure of information. The Board has also issued quarterly financial statements reviewed by the ARMC to provide shareholders with comprehensive information and a balanced view on the Group's performance, position and prospects.

Audit, Risk Management and Internal Controls

Principle 11 – Risk Management and Internal Controls
Principle 12 – Audit Committee
Principle 13 – Internal Audit

Composition of ARMC

The ARMC comprises:-

(a) Mr. Basil Chan (Chairman);
(b) Mr. Adrian Chan;
(c) Mr. Kyi Aye; and
(d) Dr. Mohd Amin.

The ARMC was established by the Board and all members of the ARMC including the Chairman are Independent Non-Executive Directors. The Chairman of the ARMC is experienced in audit, financial and general management.

The ARMC met six (6) times during the financial year ended 31 March 2015.

Powers and Duties of the ARMC

The ARMC is authorised by the Board to investigate any matters it deems appropriate within its terms of reference and has direct and unrestricted access to the Independent Auditor and the internal auditor. It may invite any Director, Management, officer or employee of the Company, the Independent Auditor and internal auditor to attend its meetings. It is also authorised to engage any firm of accountants, lawyers or other professionals as it sees fit to provide independent counsel and advice to assist in the review or investigation on such matters within its terms of reference as it deems appropriate, at the Company's expense. The principle responsibility of the ARMC is to assist the Board in maintaining a high standard of corporate governance, particularly by providing an independent review of the effectiveness of the Group's financial reporting process and material internal controls, including financial, operational and compliance and risk management controls. Other duties within its written terms of reference include:

(a) to review with Management and, where appropriate, with the Independent Auditor on the quarterly and full year financial statements to be issued by the Group before their submission to the Board;
(b) to ensure their completeness, consistency, and accuracy;
(c) to review the integrity of the financial statements of the Group to be announced or reported and any other formal announcements relating to the Group's financial performance;

(d) to assess the role and effectiveness of the internal audit function in the overall context of the Group's internal controls and risk management systems;

(e) to review and approve the annual audit plans of the internal auditor and Independent Auditor;

(f) to review, on an annual basis, the scope and results of the external audit and its cost-effectiveness and the independence and objectivity of the Independent Auditor and also the nature and extent of any non-audit services provided by the Independent Auditor to the Company;

(g) to review quarterly and/or annually, as applicable, with Management, the internal auditor and Independent Auditor, the results of their review on the Group's internal controls, including financial, operational and compliance controls, and risk management policies and systems and reporting to the Board annually the adequacy and effectiveness of such internal controls;

(h) to make recommendations to the Board on the nomination for the appointment, re-appointment and removal of Independent Auditor, and to approve the remuneration and terms of engagement of the Independent Auditor;

(i) to review interested person transactions falling within the scope of Chapter 9 of the Listing Manual; and

(j) to review the Company's whistle-blowing policy and arrangements put in place for raising concerns about possible improprieties in matters of financial reporting or any other matters.

The Board is of the view that all the members, including the Chairman of the ARMC have accounting or financial expertise and work experience to discharge their responsibilities as set out in its terms of reference. The Chairman of the ARMC is a member of the Institute of Chartered Accountants in England and Wales and is also a member of the Institute of Singapore Chartered Accountants.

The ARMC has explicit authority to investigate any matter within its terms of reference, the right of full access to and co-operation of Management and full discretion to invite any Director or executive officer to any of its meetings. The ARMC is in possession of reasonable resources to enable it to discharge its functions properly.

During the financial year ended 31 March 2015, the ARMC met with Management and the Independent Auditor on four (4) occasions. These meetings included, amongst other things, a review of the Group's financial statements, the internal control procedures, prospects of the Group and the independence of the Independent Auditor. Where there are changes to the various accounting standards that have an important bearing on the Company's disclosure obligations, the Directors (including members of the ARMC) are kept informed of such changes from time to time through circulation of the relevant changes which are also tabled during Board Meetings.

The Independent Auditor also met with the ARMC members without the presence of Management during the financial year ended 31 March 2015.

The Independent Auditor provided periodic updates and briefings to the ARMC on changes or amendments to accounting standards to enable the members of ARMC to keep abreast of such changes and its corresponding impact on the financial statements, if any.

Independent Auditor

The Company has engaged Nexia TS Public Accounting Corporation ("Nexia TS") as its Independent Auditor, to audit the accounts of the Company and all its subsidiaries. Nexia TS has confirmed that it is registered with the Accounting and Corporate Regulatory Authority in Singapore. The report of the Independent Auditor is set out in the Independent Auditor's Report section of this Annual Report.

During the financial year ended 31 March 2015, the fees paid or payable by the Group to the Independent Auditor for their audit services amounted to S$324,000 and the fees paid or payable for the non-audit services amounted to S$56,000. The ARMC had undertaken a review of all the non-audit services provided by the Independent Auditor and they would not, in the ARMC's opinion, affect the independence of the Independent Auditor.

After considering the adequacy of the resources and experience of the current auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the size and complexity of the Group and the number and experience of supervisory and professional staff assigned to the particular audit, the ARMC has recommended to the Board the re-appointment of Nexia TS Public Accounting Corporation as the Independent Auditor for the Company's audit obligations for the financial year ending 31 March 2016.

The Company has complied with Rules 712 and 715 of the Listing Manual in relation to the appointment of its auditor.

Release of Annual Reports

The Company ensures that the audited annual financial statements and the Annual Report are released within 120 days from the financial year end, and the Directors affirm in the Directors' Report that the consolidated financial statements of the Group give a true and fair view of the state of affairs of the Company and the Group.

Whistle-blowing Policy

The Group is committed to a high standard of ethical conduct and adopts a zero tolerance approach to fraud and corruption. It undertakes to investigate complaints of suspected fraud and corruption in an objective manner. As such, the Company has put in place a whistle-blowing policy. In order to promote an environment conducive to employees to raise or report genuine concerns about possible improprieties in matters of business activities, financial reporting or other matters they may encounter in confidence and without fear of retaliatory action, all whistle-blowing reports, other than reports involving any Director, member of senior Management (i.e. having designation of Head/Chief/Managing Director of a Division" and above) shall be received by the Head of Risk Management and Assurance , who will conduct an initial review of the report received and recommend the remedial, disciplinary or other action to be taken by the Company. All investigations shall be reported to the ARMC for their attention and further action as necessary.

In the event that the whistle-blowing report involves any Director, member of the senior Management or the Head of Risk Management and Assurance, the reports shall be escalated to the Chairman of the ARMC, for his attention and further action as necessary.

All employees who make a disclosure or raise a concern in accordance with such policy will be protected if such employee (a) discloses the information in good faith; (b) has reasonable grounds to believe such disclosure or concern is substantially true; (c) does not act maliciously; and (d) does not seek any personal or financial gain. While employees are strongly encouraged to disclose their identity when lodging complaints, efforts will be made to ensure confidentiality as far as reasonably practicable. Furthermore, anonymous complaints will not be disregarded and will be considered by the Independent Non-Executive Directors. The contact details of the Independent Non-Executive Directors have been made known to the employees for the purposes of raising their concerns under the whistle-blowing policy. The Company has policies and procedures to protect an employee who reveals illegal or unethical behaviour from retaliation.

On an ongoing basis, the whistle-blower policy is covered during employee training and periodic communication to employee as part of the Group's efforts to promote awareness of fraud control.

Internal Controls

The Board acknowledges that it is responsible for maintaining a sound system of internal controls including financial, operational and compliance controls and risk management policies and systems to safeguard shareholders' interest and maintain accountability of its assets. The ARMC reviews the adequacy of the Company's internal controls, including financial operational, compliance and information technology controls, and risk management policies and systems established by Management. The Independent Auditor reviews the internal controls of the Group and reports these findings to the ARMC during its meetings. This gives the ARMC the opportunity to comment on the adequacy of internal controls and to submit its findings to the Board so to reassure the Board that sufficient checks have been put in place and so as to enable the Board to comment on the adequacy and effectiveness of the internal controls. The ARMC is satisfied that the independence of the Independent Auditor is not compromised by any other material relationship with the Company. A framework of internal controls is in place and will be refined constantly, with reviews conducted at least annually.

The internal controls structure which is established includes:

(a) a risk management framework for the identification, assessment and monitoring of the Group's key risks;
(b) policies and procedures and an approved authorization matrix in place, which are reviewed from time to time, that govern and allow from time to time the monitoring of financial and operational controls;
(c) a programme of external and internal audits; and
(d) a whistle-blowing programme, whereby staff can raise in confidence, whether anonymously or otherwise, concerns on possible improprieties relating to accounting, financial reporting, internal controls and auditing matters without fear of reprisals in any form, and the provision of internal arrangements for the investigation of matters raised thereunder.

The Group has also implemented a set of standard operating procedures relating to sales and accounts receivables, purchases, human resources and payroll, cash management and capital expenditure and capital disposal.

The Group's internal audit is undertaken by the risk management & assurance team led by the Head of Risk Management & Assurance to assist the ARMC in ensuring that the Company maintains a sound system of internal controls through regular monitoring of key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the ARMC, and conducting regular audits of high-risk areas. Please refer to the information on the Enterprise Risk Management framework implemented by the Group on page 32 of this Annual Report for a description of the process and framework used to assess the internal control systems and risk management. The Head of Risk Management & Assurance, Ms Win Min Htwe, is a member of The Institute of Internal Auditors and the internal audits were carried out in accordance with the standards set by internationally recognized professional bodies including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. Ms Win Min Htwe is a qualified finance professional with a MBA from Sydney Graduate School of Management and a Master in Applied Finance from University of Western Sydney. She has professional experience in providing independent assurance to the board and senior management regarding compliance with ASX Principle 7 requirements and other stewardship controls by assessing risk management framework, evaluating investment risks for new businesses/projects and conducting assurance reviews over the adequacy, economy and effectiveness of critical business processes, systems and controls. Her team has unfettered access to all the Company's documents, records, properties, personnel and to the ARMC. The ARMC approves the hiring, removal, evaluation and compensation of the Head of Risk Management & Assurance.

The ARMC members meet with the Head of Risk Management & Assurance without the presence of Management.

The ARMC reviews and approves, on an annual basis, the internal audit plans and the resources required to adequately perform this function.

During the financial year ended 31 March 2015, the Board and the ARMC reviewed the system of internal controls and after taking into consideration and adopting the recommendations of the Group's risk management & assurance team, the work done by both the internal auditor and Independent Auditor, representations made by Management to the Board and reviews undertaken by Management, the Board Committees and the Board, the Board is of the opinion, with the concurrence of the ARMC, that the internal control systems, addressing the financial, operational and compliance risks faced by the Group, are adequate to safeguard the interests of shareholders. The Board however notes that no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

The Board has also received assurance from the CEO and the Group Financial Controller that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operation and finances, and the Company has put in place and will continue to maintain an effective and reliable system of risk management and internal controls.

The system of internal controls and risk management policies established by the Company is designed to manage, rather than eliminate, the risk of failure in achieving the Company's strategic objectives. It should be recognized that such systems are designed to provide reasonable assurance, but not an absolute guarantee, against material misstatement or loss.

The Board, together with the ARMC and Management, will continue to enhance and improve the existing internal control frameworks to identify and mitigate these risks.

An Annual Internal Audit Program is developed based on the key risk areas identified during the Annual Enterprise Risk Assessment exercise. Please refer to the information on the Enterprise Risk Management framework implemented by the Group on page 32 of this Annual Report for a description of the categories of risk identified by the Company. Terms of Reference are issued for each audit prior to field work detailing the objectives, scope, methodology, audit team, timing, reporting and follow up information. Field work includes:

(a) site visits, onsite observations and discussion with relevant staff to obtain understanding of the control environment and procedures;
(b) documenting key control processes and undertake walkthroughs to assess their effectiveness;
(c) data-mining and testing of key controls to determine compliance with policy and procedures;
(d) documenting observations, identifying opportunities for improvement, and recommending Management action plans to address the issues identified; and
(e) discussing findings with Management, and obtaining feedback.

Each finding is 'risk rated' as per the tolerance levels approved by the Board, and action plan implementation due dates are agreed with Management. Follow up reviews are conducted to validate the existence and effectiveness of action plans implemented.

COMMUNICATION WITH SHAREHOLDERS

Principle 14 – Shareholder Rights
Principle 15 – Communication with Shareholders
Principle 16 – Conduct of Shareholder Meetings

The Company is committed to delivering high standards of corporate disclosure and transparency through an open and non-discriminatory approach towards its communications with shareholders, the investment community and the media.

The Company has in place a communication framework that disseminates timely and complete financial data, price-sensitive information and material developments to shareholders. Quarterly releases of financial results and all other information including presentation materials are first announced on the website of the SGX-ST via SGXNET and then posted on the Company's website at http://www.yomastrategic.com. The Company's latest financial results and annual reports are available on the website. There is also a specific "Investor Relations" link and the investor relations contact provided on the Company's website. The Company also issues press releases after the release of significant developments and regularly conducts briefings for the media and analysts together, with key Management being present. Presentation materials for such briefings are made available on SGXNET and on the Company's website. The Company makes timely disclosures of any new material information to the SGX-ST. These filings are also posted on the Company's website, allowing investors to keep abreast of strategic and operational developments.

The Company reports financial results on a quarterly basis, within the prescribed forty-five (45) days from the end of each financial quarter for the first three quarters and within sixty (60) days from the end of the financial year. It also notifies investors of the scheduled date of announcement of the financial statements, about one week before the scheduled date by way of an SGX-ST announcement, as a part of its commitment to ensure transparent disclosure to investors.

The contact details of the Company's Investor Relations personnel are as follows:

Company

Ms Jane Kwa, Tel: (65) 6632 9682 Email: janekwa@yomastrategic.com

Cogent Communications Pte Ltd

Ms Emily Choo, Tel: (65) 6704 9278 Email: emily@cogentcomms.com
Mr. Gerald Woon, Tel: (65) 6704 9277 Email: woon@cogentcomms.com

General Meetings

The Company also encourages active shareholder participation at its general meetings. It delivers the notice of Annual General Meeting and related information at least fourteen (14) days' in advance. In each notice of annual general meeting, the Company provides explanatory notes for most of the agenda items which require shareholders' approval. Notices of meetings are also published in the Business Times. Reports or circulars of the general meetings are despatched to all shareholders by post. The Company also holds its general meetings at a central location in Singapore with convenient access to public transportation.

Shareholders who are unable to attend the general meetings may appoint up to two (2) proxies each to attend and vote on their behalf and shareholders who hold shares through nominees may attend the general meetings as observers without being constrained by the two (2) proxies requirement. The Company's ordinary shares have one vote per share. Voting in absentia by mail, facsimile or email is currently not permitted to ensure proper authentication of the identity of shareholders and their voting intent.

Separate resolutions are passed at every general meeting on each distinct issue. Results of each general meeting (and in the case where resolutions are passed by poll, detailed results of the voting) will be published on the website of the SGX-ST via SGXNet. Shareholders are given the right to participate in decisions including amendments to the Company's constitution, the authorization of additional shares, the transfer of all or substantially all assets of the Company. Shareholders also have the opportunity to approve remuneration (including fees, allowances and other emoluments) and increases in remuneration for Independent Non-Executive Directors.

Prior to the commencement of each general meeting, the Executive Chairman and/or the CEO will deliver a presentation to update shareholders on the Company's progress over the past year. Shareholders are given an opportunity to air their views and ask questions regarding the Company and the Group. The Directors and senior Management are in attendance to address queries and concerns about the Company. The Company's Independent Auditor also attends the annual general meeting to help address shareholders' queries relating to the conduct of the audit and the preparation and content of the auditors' reports.

The Board noted that with effect from 1 August 2015, the Company is required by the Listing Manual to conduct the voting of all resolutions put to general meetings by poll, and to appoint an independent scrutineer to direct and supervise the count of the votes cast through proxy and in person. Until such time, voting at general meetings may be by show of hands unless a poll is demanded, as voting on show of hands enables the Company and shareholders to deal with the businesses of general meetings expeditiously.

The Company Secretaries prepare minutes of general meetings, which incorporate substantial comments or queries from shareholders and responses from the Board and Management. These minutes are available to shareholders upon their requests.

2014 AGM

The 2014 AGM was attended by all the Directors, including the Chairman of the Board, the CEO, and the Chairman of the ARMC, and was held at The Fullerton Hotel at 1 Fullerton Square, Singapore 049178, a central and easily accessible location in Singapore. The Company's Independent Auditor was also present. The Company made the results of the votes of the 2014 AGM for all resolutions publicly available on the website of the SGX-ST via SGXNet on the same day that the meeting was held. Proxy documents are made easily available to shareholders via post.

Shareholders' participation

The Company intends to organise an annual shareholders' trip as it believes that such a trip will reinforce the Company's efforts to enhance communications with shareholders. Hence, following the first shareholders' trip in the last financial year, a second shareholders' trip was organised in March 2015 whereby shareholders visited the Company's projects and met up with key Management personnel including the Executive Directors in Yangon. Some 76 shareholders of various nationalities (e.g. Singapore, Brunei, Malaysia, Indonesia, Germany, United Kingdom and United States) went on the trip. The Company will continue to seek effective ways to engage with shareholders.

Communication with investors

The Company is committed to provide the investment and media communities with regular, effective and transparent information. It engages its investors actively through its wide variety of communication channels such as meetings, conference calls, email communications, investor roadshows and conferences to enhance investors' understanding of the Company and the country. During the year, Management participated in roadshows in Singapore, Hong Kong SAR, Bangkok, USA and Europe.

The Company also held its media and analysts briefings via physical meeting or conference calls in May and October for its half-yearly and full year results to communicate its results, strategies and outlook. Key Management personnel (including the CEO) were at hand during these conference calls to answer any questions that the media or analysts had. Site visits to the Company's real estate projects in Yangon are frequently arranged for investors and analysts to offer them a first-hand experience of our operations and a greater appreciation of the long term growth potential of the Company.

Dividend policy

The Company's dividend policy is to provide shareholders with a stable annual dividend that takes into account the Company's performance as well as the resources needed to ensure its future well-being and continued success. The declaration and payment of dividends will be recommended by the Directors.

In paying the dividends, all shareholders will be treated equally and final dividends will be approved by shareholders at general meetings.

Code of conduct

The Company has adopted a Code of Conduct for the Group that all employees are required to comply with. The Code of Conduct is made available on the Company's website at http://www.yomastrategic.com. It sets out principles to guide employees in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing with the Company, its competitors, customers, suppliers and the community. The Code of Conduct is clearly stipulated to guide employees in carrying out their faily tasks. Measures are taken to ensure compliance with the Code of Conduct and breaches of the Code of Conduct will result in disciplinary action.

ROLE OF STAKEHOLDERS

The Company values its stakeholders and has affirmed its support of the Ten Principles of the United Nations Global Compact. Its efforts to promote the welfare of its stakeholders are reflected in the Sustainability Statement section of this Annual Report. The Company's contact details for both its Singapore and Myanmar offices are provided on its website to enable stakeholders to contact the Company.

As disclosed in this Annual Report, the Company is involved in various community projects in order to contribute to the growth of Myanmar. One such event is the Yoma Yangon International Marathon which the Company organises annually to promote healthy living among members of the community. The Company donates the registration fees from this Marathon to organisations which are committed to the education and healthcare of underprivileged Myanmar children.

The Company also ensures that its value chain is environmentally friendly. It promotes a "paperless culture" by encouraging employees to read documents on the screen instead of printing, and has introduced a "cloud based" file sharing system which eliminates the need for printing and photocopying documents.

The Company's Code of Conduct sets out principles to guide its employees in carrying out their duties and responsibilities when dealing with competitors, customers, suppliers, other employees and the community. The whistle-blowing policy stated above is a prominent example of its efforts to work against corruption.

EMPLOYEE PARTICIPATION

The Company has policies and programmes in place to enhance the performance of its employees. Please refer to Sustainability Statement of this Annual Report for more information on these training and development programmes.

INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy governing procedures for the identification, approval and monitoring of interested person transactions. This policy requires Directors to disclose their interest in transactions and any other conflicts of interest, abstain from participating in Board discussions on a particular agenda when they are conflicted. The Company discloses trading in the Company's shares by its directors where such trading has taken place.

All interested person transactions are subject to review by the ARMC which determines whether such transactions are in the best interest of the Company and shareholders. None of the interested person transactions in the financial year ended 31 March 2015 can be classified as financial assistance to entities other than wholly-owned subsidiary companies.

At shareholder meetings to approve interested person transactions, the interested person and his associates abstain from voting on the resolution. The Company also provides circulars to its Shareholders providing an independent financial adviser's opinion on whether the methods or procedures used to determine transaction prices in interested party transactions are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. The details of interested person transactions for the financial year ended 31 March 2015 are set out below.

Name of Interested Person	Aggregate value of all interested person transactions during FY2015 (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 FY2015 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) *
Associates of Mr. Serge Pun in relation to :-	S$'000	S$'000
(a) Purchases	181,529[(1)]	5,926
(b) Sales	–	1,128
(c) Treasury transactions	–	409
(d) Land development rights transactions	–	2,303
(e) Prepayments for projects	–	111

* Shareholders' mandate was renewed and approved at the annual general meeting held on 25 July 2014. Accordingly, the aggregate value of all interested person transactions is presented for the twelve-month period from 1 April 2014 to 31 March 2015.

(1) Included in purchases of S$181.53 million is an amount of S$165.35 million for the acquisition of various companies, LDRs and operating rights that were approved by shareholders in the extraordinary general meeting held on 6 January 2015.

SECURITIES TRANSACTIONS

The Company has adopted an internal code on dealings in securities by its officers who have access to price-sensitive or confidential information. Directors and employees of the Company are required to observe this code and adhere to the following rules at all times:-

(a) to observe insider trading laws and avoid potential conflict of interests at all times when dealing in securities;
(b) not to deal in the Company's shares while in possession of unpublished material price sensitive information;
(c) not to deal in the Company's shares for short-term considerations; and
(d) not to deal in the Company's shares during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three-quarters of its financial year, or one (1) month before the announcement of the Company's full year financial statements, and ending on the date of announcement of such results, or when they are in possession of unpublished price-sensitive information on the Company.

The Directors are required to report any dealings in the Company's shares within two (2) business days of such dealing.

DIRECTORS' REPORT

For the financial year ended 31 March 2015

The Directors present their report to the members together with the audited financial statements of the Group for the financial year ended 31 March 2015 and the balance sheet of the Company as at 31 March 2015.

Directors

The Directors of the Company in office at the date of this report are as follows:

Mr. Serge Pun @ Theim Wai
Mr. Andrew Jonathan Rickards
Mr. Adrian Chan Pengee
Mr. Basil Chan
Mr. Kyi Aye
Mr. Pun Chi Yam Cyrus
Dato Dr. Mohd Amin Liew Abdullah @ Liew Kong Ming
Mr. Melvyn Pun Chi Tung (alternate director to Mr. Serge Pun @ Theim Wai)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share options" on page 55 to page 57 of this report.

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31.3.2015	**At 1.4.2014**	**At 31.3.2015**	**At 1.4.2014**
Company				
Number of ordinary shares				
Mr. Serge Pun @ Theim Wai	394,936,358	308,536,270	248,896,790	173,672,593
Mr. Andrew Jonathan Rickards	11,777,333	7,500,000	–	–
Mr. Pun Chi Yam Cyrus	888,000	–	–	–
Mr. Adrian Chan Pengee	221,333	–	–	–
Mr. Basil Chan	221,333	–	–	–
Mr. Kyi Aye	221,333	–	–	–
Dato Dr. Mohd Amin Liew Abdullah @ Liew Kong Ming	221,333	–	–	–

Directors' interests in shares or debentures (continued)

(b) According to the register of directors' shareholdings, certain directors holding office at the end of the financial year had interests in options to subscribe for ordinary shares of the Company granted pursuant to the Yoma Strategic Holdings Employee Share Option Scheme as set out below and under "Share Options" on page 55 to page 57 of this report.

	No. of unissued ordinary shares under option	
	At 31.3.2015	**At 1.4.2014**
2013 Options		
Mr. Serge Pun @ Theim Wai	1,495,154	2,000,000
Mr. Andrew Jonathan Rickards	2,667,000	4,000,000
Mr. Pun Chi Yam Cyrus	1,495,154	2,000,000
Mr. Adrian Chan Pengee	374,348	500,000
Mr. Basil Chan	374,348	500,000
Mr. Kyi Aye	374,348	500,000
Dato Dr. Mohd Amin Liew Abdullah @ Liew Kong Ming	374,348	500,000
2015 Options		
Mr. Andrew Jonathan Rickards	3,000,000	–

(c) By virtue of Section 7 of the Singapore Companies Act (Cap. 50), Mr. Serge Pun @ Theim Wai is deemed to have interests in all the ordinary shares of the Company's subsidiaries.

(d) The directors' interest in the ordinary shares of the Company as at 21 April 2015 were the same as those as at 31 March 2015.

Directors' contractual benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report.

Share options

(a) <u>Yoma Strategic Holdings Employee Share Option Scheme 2012</u>

The Yoma Strategic Holdings Employee Share Option Scheme 2012 (the "YSH ESOS 2012" or the "Scheme") was approved by the Company's shareholders and adopted on 25 May 2012.

The YSH ESOS 2012 provides eligible participants with an opportunity to participate in the equity of the Company to motivate and encourage them towards better performance through stronger ties and dedication to the Company, its subsidiaries, its joint ventures and its associated companies (the "Group"). Under the Scheme, options to subscribe for the ordinary shares of the Company are granted to Group employees who have attained the age of 18 years on or before the commencement date of the YSH ESOS 2012, Group Executive Directors and Group Non-Executive Directors who, in the opinion of the Remuneration Committee ("RC") have contributed or will contribute to the success and development of the Group. Controlling shareholders of the Company and their associates are also eligible to participate in the YSH ESOS 2012.

The aggregate number of shares in the capital of the Company (the "Shares") over which the RC may grant options under the YSH ESOS 2012 (the "Options") on any date, when added to the number of Shares issued and issuable in respect of all Options granted under the YSH ESOS 2012 and any other share-based incentive schemes of the Company, shall not exceed 15% of the issued share capital of the Company (excluding treasury shares) from time to time.

Share options (continued)

(a) Yoma Strategic Holdings Employee Share Option Scheme (continued)

Under the rules of the YSH ESOS 2012, the Options that are granted may have exercise prices that are, at the RC's discretion, set at the price equal to the average of the last dealt prices for the Shares as determined by reference to the last daily official list or any other publication published by the Singapore Exchange Securities Trading Limited ("SGX-ST") for the five (5) consecutive market days immediately preceding the relevant date of grant of an Option (the "Market Price"), or at a discount to the Market Price (provided that the maximum discount shall not exceed 20% (the "Discount Price Options")). An Option which is fixed at the Market Price shall not vest earlier than the first anniversary of the date of grant of the Option (the "Date of Grant") and shall be exercised before the fifth anniversary of the Date of Grant or such earlier date as may be determined by the RC. The options may be exercised in full or in part in respect of 1,000 shares or any multiple thereof, after the second anniversary of the Date of Grant of that Option and in accordance with the vesting schedule and the conditions (if any) to be determined by the RC on the Date of Grant of the relevant Options, provided that all Discount Price Options shall be exercised before the tenth anniversary of the relevant Date of Grant of the Option, or such earlier date as may be determined by the RC.

The YSH ESOS 2012 is administered by the RC in its absolute discretion with such powers and duties as are conferred on it by the Board of Directors of the Company, provided that no member of the RC shall participate in any deliberation or decision in respect of Options granted or to be granted to him. The members of the RC are Dato Dr. Mohd Amin Liew Abdullah (Chairman), Mr. Kyi Aye and Mr. Basil Chan as at the date of this report.

The Company granted options under the Scheme to subscribe for an aggregate of 19,250,000 ordinary shares of the Company during the financial year ended 31 March 2013 ("2013 Options") and an aggregate of 3,750,000 ordinary shares of the Company during the financial year ended 31 March 2014 ("2014 Options"). Particulars of these options were set out in the Directors' Report for the financial years ended 31 March 2013 and 31 March 2014 respectively.

On 28 November 2014, the Company granted options to subscribe for 4,300,000 ordinary shares in the Company at an exercise price of S$0.57 per share ("2015 Options – First Tranche"). Subsequently, on 5 January 2015, the Company granted options to subscribe for 300,000 ordinary shares of the Company at exercise price of S$0.55 per share ("2015 Options – Second Tranche"). These options (collectively "2015 Options") are exercisable from 29 November 2016 to 4 January 2025. Details of the options granted to directors of the Company are as follows:

	Granted in financial year ended 31.03.2015	Aggregate granted since commencement of Scheme to 31.03.2015	Aggregate exercised since commencement of Scheme to 31.03.2015	Aggregate adjusted since commencement of Scheme to 31.03.2015[(a)]	Aggregate outstanding as at 31.03.2015
Mr. Serge Pun	–	2,000,000	666,000	161,154	1,495,154
Mr. Andrew Jonathan Rickards	3,000,000	7,000,000	1,333,000	–	5,667,000
Mr. Cyrus Pun Chi Yam	–	2,000,000	666,000	161,154	1,495,154
Mr. Adrian Chan Pengee	–	500,000	166,000	40,348	374,348
Mr. Basil Chan	–	500,000	166,000	40,348	374,348
Mr. Kyi Aye	–	500,000	166,000	40,348	374,348
Dato Dr. Mohd Amin Liew Abdullah @Liew Kong Ming	–	500,000	166,000	40,348	374,348

(a) On 9 February 2015, the Company had allotted and issued 432,537,405 new ordinary shares ("rights share") at an issue price of S$0.38 for each share based on one rights share for every three existing shares held by shareholders of the Company as at 14 January 2015. As a result of the completion of the rights issue, the RC has determined that the adjustments are to be made to the outstanding share options under the YSH ESOS 2012.

The total fair values of the 2015 Options granted were estimated to be S$1,977,000 using the Black-Scholes-Merton Model.

Total of 4,000,000 options have been granted to controlling shareholders of the Company or their associates (as defined in the Listing Manual of SGX-ST).

No participant under the Scheme has received 5% or more of the total number of option available under the scheme.

During the financial year, an aggregate of 4,995,000 and 499,000 new ordinary shares of the Company were issued at the exercise prices of S$0.31 per share and S$0.53 per share respectively, upon the exercise of the 2013 Options.

Share options (continued)

(b) Share options outstanding

The number of unissued ordinary shares of the Company under option in relation to the YSH ESOS 2012 outstanding at the financial year was as follows:

	No. of unissued ordinary shares under option 31.3.2015	Exercise price	Exercise period
2013 Options			
– First Tranche	10,891,463	S$0.28*	3.7.2014 – 1.7.2022
– Second Tranche	374,348	S$0.48*	4.12.2014 – 2.12.2022
	11,265,811		
2014 Options			
– First Tranche	840,604	S$0.57*	2.4.2015 – 31.3.2023
– Second Tranche	840,604	S$0.58*	2.5.2015 – 30.4.2023
– Third Tranche	1,120,804	S$0.61*	2.6.2015 – 31.5.2023
– Fourth Tranche	1,401,006	S$0.65*	31.7.2015 – 29.7.2023
	4,203,018		
2015 Options			
– First Tranche	4,457,046	S$0.51*	29.11.2016 – 27.11.2024
– Second Tranche	336,241	S$0.50*	6.1.2017 – 4.1.2025
	4,793,287		
	20,262,116		

* Adjusted pursuant to the completion of the rights issue on 9 February 2015 in accordance with Rule 11.1 of the YSH ESOS 2012.

Audit and Risk Management Committee

The members of the Audit and Risk Management Committee at the end of the financial year were as follows:

Mr. Basil Chan (Chairman)
Mr. Adrian Chan Pengee
Mr. Kyi Aye
Dato Dr. Mohd Amin Liew Abdullah @ Liew Kong Ming

All members of the Audit and Risk Management Committee were non-executive and independent directors.

The Audit and Risk Management Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act (Cap. 50). In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and its report on the weaknesses of internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2015 before their submission to the Board of Directors, as well as the independent auditor's report on the balance sheet of the Company and the consolidated financial statements of the Group.

The Audit and Risk Management Committee has recommended to the Board of Directors that the independent auditor, Nexia TS Public Accounting Corporation, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent Auditor

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the directors

Mr. Serge Pun @ Theim Wai Director	Mr. Andrew Jonathan Rickards Director

30 June 2015

STATEMENT BY DIRECTORS

For the financial year ended 31 March 2015

In the opinion of the directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 61 to 148 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2015 and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the directors

Mr. Serge Pun @ Theim Wai Director	Mr. Andrew Jonathan Rickards Director

30 June 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of Yoma Strategic Holdings Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of Yoma Strategic Holdings Ltd. (the "Company") and its subsidiaries (the "Group") set out on pages 61 to 148, which comprise the consolidated balance sheet of the Group and balance sheet of the Company as at 31 March 2015, the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015, and of the results, changes in equity and cash flows of the Group for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants
Director-in-charge: Loh Ji Kin
Appointed since financial year ended 31 March 2011

Singapore

30 June 2015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2015

	Note	2015 S$'000	2014 S$'000
Revenue	4	**110,927**	100,493
Cost of sales		**(65,340)**	(55,837)
Gross profit		**45,587**	44,656
Other income – net	6	**31,342**	6,840
Expenses			
– Administrative		**(32,172)**	(25,292)
– Finance	7	**(1,244)**	(608)
Share of profits/(losses) of joint ventures	17	**25**	(56)
Share of losses of associated companies	18	**(314)**	–
Profit before income tax		**43,224**	25,540
Income tax expense	9(a)	**(3,909)**	(1,606)
Net profit		**39,315**	23,934
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
– Currency translation differences arising from consolidation – Gains/(Losses)		**4,367**	(272)
– Share of other comprehensive income of associated companies	18	**(2,308)**	–
Other comprehensive income/(losses), net of tax		**2,059**	(272)
Total comprehensive income		**41,374**	23,662
Net profit attributable to:			
Equity holders of the Company		**28,051**	16,392
Non-controlling interests		**11,264**	7,542
		39,315	23,934
Total comprehensive income attributable to:			
Equity holders of the Company		**30,257**	16,115
Non-controlling interests		**11,117**	7,547
		41,374	23,662
Earnings per share attributable to equity holders of the Company (Cents per share)	10		
– Basic		**2.00**	1.32
– Diluted		**1.98**	1.31

The accompanying notes form an integral part of these financial statement

BALANCE SHEETS
As at 31 March 2015

	Note	Group 2015 S$'000	Group 2014 S$'000	Company 2015 S$'000	Company 2014 S$'000
ASSETS					
Current assets					
Cash and cash equivalents	11	**20,025**	16,741	**5,658**	4,774
Trade and other receivables	12	**89,212**	86,074	**394,042**	146,384
Inventories	13	**14,115**	671	**–**	–
Development properties	14	**169,210**	39,442	**–**	–
Land development rights	25	**28,341**	9,318	**–**	–
Other current assets	15	**21,617**	23,942	**398**	7,699
		342,520	176,188	**400,098**	158,857
Non-current assets					
Trade and other receivables	12	**16,980**	–	**91,000**	91,000
Other non-current assets	15	**394**	580	**–**	–
Available-for-sale financial assets	16	**4,379**	8,442	**–**	–
Investments in joint ventures	17	**4,248**	683	**–**	–
Investments in associated companies	18	**40,410**	–	**–**	–
Investments in subsidiaries	19	**–**	–	**103,430**	103,430
Call option to acquire land	20	**13,161**	13,161	**–**	–
Investment properties	21	**156,143**	104,657	**–**	–
Prepayments	22	**8,029**	13,390	**–**	–
Property, plant and equipment	23	**16,588**	4,632	**576**	647
Intangible assets	24	**32,189**	12,666	**–**	–
Land development rights	25	**198,846**	148,877	**–**	–
Biological assets	26	**213**	–	**–**	–
		491,580	307,088	**195,006**	195,077
Total assets		**834,100**	483,276	**595,104**	353,934
LIABILITIES					
Current liabilities					
Trade and other payables	27	**59,550**	39,358	**11,017**	34,812
Current income tax liabilities	9(b)	**1,880**	2,586	**26**	113
Borrowings	28	**10,000**	–	**10,000**	–
Deferred income tax liabilities	29	**1,872**	444	**–**	–
		73,302	42,388	**21,043**	34,925
Non-current liabilities					
Borrowings	28	**28,607**	22,850	**–**	–
Total liabilities		**101,909**	65,238	**21,043**	34,925
NET ASSETS		**732,191**	418,038	**574,061**	319,009
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	30	**587,583**	327,204	**587,583**	327,204
Other reserves	32	**9,140**	7,078	**5,060**	5,204
Retained profits/(accumulated losses)	33	**65,100**	37,250	**(18,582)**	(13,399)
		661,823	371,532	**574,061**	319,009
Non-controlling interests		**70,368**	46,506	**–**	–
Total equity		**732,191**	418,038	**574,061**	319,009

The accompanying notes form an integral part of these financial statement

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2015

		Attributable to equity holders of the Company					
	Note	Share capital S$'000	Other reserves S$'000	Retained profits S$'000	Total S$'000	Non-controlling interests S$'000	Total equity S$'000
2015							
Beginning of financial year		327,204	7,078	37,250	371,532	46,506	418,038
Issuance of shares under placement	30	94,500	–	–	94,500	–	94,500
Issuance of shares pursuant to exercise of share options	30, 32(b)(i)	3,255	(1,442)		1,813	–	1,813
Issuance of shares under rights issue	30	164,364	–	–	164,364	–	164,364
Share issue expenses	30	(1,740)	–	–	(1,740)	–	(1,740)
Employee share option scheme – value of employee services	32(b)(i)	–	1,298	–	1,298	–	1,298
Acquisition of subsidiaries	40(c)	–	–	–	–	13,516	13,516
Incorporation of subsidiaries		–	–	–	–	285	285
Effect of changes in shareholdings in subsidiaries	19	–	–	(201)	(201)	201	–
Dividends paid to non-controlling interests		–	–	–	–	(1,257)	(1,257)
Total comprehensive income for the financial year		–	2,206	28,051	30,257	11,117	41,374
End of financial year		587,583	9,140	65,100	661,823	70,368	732,191
2014							
Beginning of financial year		327,204	3,618	26,643	357,465	38,655	396,120
Employee share option scheme – value of employee services	32(b)(i)	–	3,737	–	3,737	–	3,737
Dividends relating to 2013 paid	34	–	–	(5,785)	(5,785)	–	(5,785)
Dividends paid to non-controlling interests		–	–	–	–	(314)	(314)
Acquisition of subsidiaries	40(c)	–	–	–	–	618	618
Total comprehensive (loss)/income for the financial year		–	(277)	16,392	16,115	7,547	23,662
End of financial year		327,204	7,078	37,250	371,532	46,506	418,038

The accompanying notes form an integral part of these financial statement

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2015

	Note	2015 S$'000	2014 S$'000
Cash flows from operating activities			
Net profit		**39,315**	23,934
Adjustments for:			
– Income tax expense	9(a)	**3,909**	1,606
– Depreciation of property, plant and equipment	5	**2,042**	942
– Amortisation of intangible assets	5	**1,006**	805
– Write-off of property, plant and equipment	5	**2**	48
– Net fair value gains on investment properties	6	**(22,789)**	(5,193)
– Bargain purchase from acquisition of subsidiaries	6	**(2,636)**	(995)
– Gain on disposal of property, plant and equipment	6	**(14)**	(1)
– Interest income on bank deposits	6	**(362)**	(158)
– Interest expense on bank borrowings	7	**1,264**	1,100
– Employee share option expenses	8	**1,298**	3,737
– Write-off of biological assets	5	**217**	–
– Share of (profits)/losses of joint ventures	17	**(25)**	56
– Share of losses of associated companies	18	**314**	–
– Fair value loss on prepayments	6	**6,524**	–
– Unrealised currency translation gains		**(4,873)**	(1,438)
		25,192	24,443
Change in working capital, net of effects from acquisition of subsidiaries:			
– Inventories		**52**	720
– Development properties		**(34,336)**	(18,582)
– Trade and other receivables		**(28,953)**	(57,934)
– Land development rights		**11,462**	20,812
– Trade and other payables		**10,336**	2,585
Cash used in operations		**(16,247)**	(27,956)
Interest received		**238**	249
Income tax paid	9(b)	**(4,398)**	(1,606)
Net cash used in operating activities		**(20,407)**	(29,313)
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	40(b)	**(78,333)**	(13,884)
Acquisition of golf estate operating rights	24(b)	**(16,204)**	–
Advance payment for future business acquisition		**(9,668)**	(4,227)
Additions to investment properties	21	**(6,688)**	(7,008)
Additions to property, plant and equipment	23	**(12,140)**	(2,603)
Additions to available-for-sale financial assets	16	**(1,158)**	(8,442)
Additions to investment in future projects		**(11,433)**	–
Additions to development properties intended for investing activities		**(7,767)**	–
Additions to biological assets	26	**(427)**	–
Additions to land developments rights	25	**(69,429)**	–
Deposits for acquisition of land development rights		**–**	(10,688)
Investments in joint ventures	17	**(3,540)**	–
Investments in associated companies		**(23,221)**	–
Proceeds from disposal of property, plant and equipment		**198**	31
Repayment of shareholders' loan to non-controlling interests	28(c)	**(6,587)**	–
Proceeds from dilution of interests in available-for-sales financial assets	16	**722**	–
Net cash used in investing activities		**(245,675)**	(46,821)

The accompanying notes form an integral part of these financial statement

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2015

	Note	2015 S$'000	2014 S$'000
Cash flows from financing activities			
Dividends paid	34	**–**	(5,785)
Interest paid		**(1,212)**	(1,370)
Proceeds from issuance of ordinary shares under rights issue	30	**164,364**	–
Proceeds from issuance of ordinary shares under placement	30	**94,500**	–
Proceeds from issuance of shares pursuant to exercise of share options		**1,813**	–
Proceeds from borrowings		**10,000**	–
Repayment of bank borrowings		**–**	(14,354)
Share issue expenses	30	**(1,740)**	–
Loan to a non-related party	15	**(8,758)**	–
Shareholder's loans to associated companies	18	**(270)**	–
Loans from non-controlling interests		**10,340**	8,292
Net cash provided by/(used in) financing activities		**269,037**	(13,217)
Net increase/(decrease) in cash and cash equivalents		**2,955**	(89,351)
Cash and cash equivalents at beginning of financial year		**16,741**	106,179
Effects of currency translation on cash and cash equivalents		**329**	(87)
Cash and cash equivalents at end of financial year	11	**20,025**	16,741

The accompanying notes form an integral part of these financial statement

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Yoma Strategic Holdings Ltd. on 30 June 2015.

1. General information

Yoma Strategic Holdings Ltd. (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 78 Shenton Way, #32-00 Singapore 079120.

The principal activity of the Company is that of an investment holding company. The principal activities of its subsidiaries are disclosed as per Note 19 to the financial statements.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2015

On 1 April 2014, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of the new or amended FRS and INT FRS did not result in substantial changes to the Group and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years except for the following:

FRS 110 *Consolidated Financial Statements*

FRS 110 *Consolidated Financial Statements* introduces a new control model that is applicable to all investees, by focusing on whether the Group has power over an investee, exposure, or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. In particular, FRS 110 requires the Group to consolidate investees that it controls on the basis of de facto circumstances.

In accordance with the transitional provisions of FRS 110, the Group re-assessed the control conclusion for its investees and assessed that there is no change to its control conclusion in respect of its investments.

FRS 111 *Joint Arrangements*

From 1 April 2014, as a result of FRS 111 *Joint Arrangements*, the Group has changed its accounting policy for its interests in joint arrangements as either joint operations (if the Group has rights to the assets and obligations for the liabilities relating to an arrangement) or joint venture (if the Group has rights only to the net assets of an arrangement). When making this assessment, the Group considered the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. Previously, the structure of the arrangement was the sole focus of classification.

The Group re-evaluated its involvement in all of its joint arrangements and has reclassified the investments from jointly controlled entities to joint ventures. Notwithstanding the reclassification, the investments continue to be recognised by applying the equity method and there has been no impact on the recognised assets, liabilities and comprehensive income of the Group.

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

FRS 112 *Disclosures of Interests in Other Entities*

The Group has adopted the above new FRS on 1 April 2014. The amendment is applicable for annual periods beginning on or after 1 January 2014. It sets out the required disclosures for entities reporting under the new FRS 110 *Consolidated Financial Statements* and FRS 111 *Joint Arrangements*, and replaces the disclosure requirements currently found in FRS 27 (revised 2011) *Separate Financial Statements* and FRS 28 (revised 2011*) Investments in Associates and Joint Ventures*.

The Group has applied FRS 112 retrospectively in accordance with the transitional provisions (as amended subsequent to the issuance of FRS 112 in September 2011) in FRS 112 and amended for consolidation exceptions for "investment entity" from 1 April 2014. The Group has incorporated the additional required disclosures into the financial statements.

2.2 Revenue recognition

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Sales are presented, net of value-added tax, rebates and discounts, and after eliminating sales within the Group.

The Group assesses its role as an agent or principal for each transaction and in an agency arrangement the amounts collected on behalf of the principal are excluded from revenue. The Group recognises revenue when the amount of revenue and related cost can be reliably measured, when it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) *Sale of goods – Land development rights, agricultural products and automotive service products*

Revenue from these sales is recognised upon delivery of the goods to locations specified by its customers and/or transfers of possession or title to the customers and the customers have accepted the goods in accordance with the sales contract.

(b) *Rendering of services – Project management and design service and hot air balloon service*

Revenue from rendering of services is recognised in the period in which the services are rendered. When services are provided in stages, revenue is recognised progressively based on the actual service provided as a proportion of the total services to be performed.

(c) *Sale of development properties*

Completed development properties

A completed development property is regarded as sold when the significant risks and returns have been transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied.

Development properties under construction

Where development property is under construction and agreement has been reached to sell such property when construction is complete, the Directors consider whether the contract comprises:
– A contract to construct a property; or
– A contract for the sale of completed property

(i) Where a contract is judged to be for the construction of a property, revenue is recognised using the percentage of completion method as construction progresses.

(ii) Where the contract is judged to be for the sale of a completed property, revenue is recognised when the significant risks and rewards of ownership of the real estate have been transferred to the buyer, generally upon completion of the construction of the property. If, however, the legal terms of the contract are such that the construction represents the continuous transfer of work in progress to the purchaser, the percentage of completion method of revenue recognition is applied and revenue is recognised as work progresses.

Revenue from sale of development properties under construction is recognised based on the percentage-of-completion method when the transfer of significant risks and rewards of ownership occurs as construction progresses. Please refer to the paragraph "Development properties" for the accounting policy for revenue from sale of development properties.

2. Significant accounting policies (continued)

2.2 Revenue recognition (continued)

(d) Multiple-element arrangements

The Group offers certain arrangements where a customer can purchase certain land development rights, together with development and sale of properties contracts on behalf of the customer. When such multiple-element arrangements exist, the amount recognised as revenue upon the sale of land development rights is the fair value of the land development rights in relation to the fair value of arrangement taken as a whole and is recognised when significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The revenue relating to the service element, which represents the fair value of the development and sale of properties arrangement in relation to the fair value of the arrangement taken as a whole, is recognised progressively over the construction period of the properties based on the contractual terms of the arrangements. The fair value of each element is determined based on the current market price when the elements are sold separately.

When the Group is unable to determine the fair value of each of the elements in an arrangement, it uses the residual value method. Under this method, the Group determines the fair value of the delivered element by deducting the fair value of the undelivered element from the total contract consideration. To the extent that there is a discount on the arrangement, such discount is allocated between the elements of the contract in such a manner as to reflect the fair value of the elements.

(e) Rental income and leasing of motor vehicle income

Rental of investment properties and leasing of motor vehicles under operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

(g) Interest income

Interest income is recognised using the effective interest method.

(h) Management services fee

Management services fee is recognised upon the rendering of management and consultation services to and the acceptance by subsidiaries, joint ventures and associated companies.

2.3 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanying by a shareholding giving rise to a majority of voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributable to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

2. Significant accounting policies (continued)

2.3 Group accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (i) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (ii) fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts have been reviewed, the difference is recognised directly in profit or loss as a bargain purchase. Please refer to paragraph "Intangible assets – Goodwill on acquisitions" for the subsequent accounting policy on goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specified Standard.

Any retained interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries, joint ventures and associated companies" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

2. Significant accounting policies (continued)

2.3 Group accounting (continued)

(c) Joint arrangements (continued)

(i) Joint operations

The Group recognises in relation to its interest in a joint operation,
(a) its assets, including its share of any assets held jointly;
(b) its liabilities, including its share of any liabilities incurred jointly;
(c) its revenue from the sale of its share of the output arising from the joint operation;
(d) its share of the revenue from the sale of the output by the joint operation; and
(e) its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting policies applicable to the particular assets, liabilities, revenues and expenses.

(ii) Joint ventures

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investment in joint venture is set out below.

(d) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above, but not exceeding 50%.

Joint ventures are entities over which the Group has contractual arrangements to jointly share control over the economic activity of the entities with one or more parties.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of the acquisition of the associate or joint venture over the Group's share of the fair value of the identifiable net assets of the associate or joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

In applying the equity method of accounting, the Group's share of its associated companies and joint ventures' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised as other comprehensive income. These post-acquisition movements and distributions received from the associated companies and joint ventures are adjusted against the carrying amount of the investments. When the Group's share of losses in an associated company and a joint venture equals or exceeds its interest in the associated company or joint venture, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company or joint venture.

Unrealised gains on transactions between the Group and its associated companies and joint ventures are eliminated to the extent of the Group's interest in the associated companies and joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associated companies and joint ventures have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

2. Significant accounting policies (continued)

2.3 Group accounting (continued)

(d) Associated companies and joint ventures (continued)

(iii) Disposals

Investments in associated companies and joint ventures are derecognised when the Group loses significant influence or joint control and any retained interest in the former associate or joint venture is a financial asset. Such retained interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost and its fair value is recognised in profit or loss.

Gains and losses arising from partial disposals or dilutions in investments in associated companies and joint ventures, in which significant influence or joint control is retained, are recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries, joint ventures and associated companies" for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

2.4 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Costs of a self-constructed asset include material costs, labour costs and other direct costs used in the construction of the asset. Other costs such as start-up costs, administration and other general overhead costs, advertising and training costs are excluded and expensed as incurred. Cost also includes borrowing costs (refer to Note 2.18 on borrowing costs).

(b) Depreciation

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Office building	20 years
Machinery and equipment	10 years
Renovation, furniture and office equipment	3 – 5 years
Motor vehicles	5 years
Computers	3 years
Hot air balloons and equipment	6 years
Water treatment plant	10 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in the profit or loss when the changes arise.

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

2. Significant accounting policies (continued)

2.4 Property, plant and equipment (continued)

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expense is recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “Other income – net”.

2.5 Land development rights

Land development rights refer to rights to own, use, develop and sell plots of land acquired for sale in the ordinary course of business and for future development.

Land development rights are carried at the lower of cost and net realisable value. Cost includes acquisition costs, capitalised borrowing costs and other costs directly attributable to the acquisition. Net realisable value is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less estimated costs necessary to make the sale.

Land development rights on plots sold are transferred at their carrying value to profit or loss. Land development rights are presented as non-current assets, except for those to be sold or developed within 12 months after the balance sheet date which are presented as current assets.

2.6 Development properties

Development properties refer to properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Group’s own use, rental or capital appreciation.

Development properties that are unsold are carried at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure, capitalised borrowing costs and other costs directly attributable to the development activities. Cost includes an appropriate share of development overheads allocated based on normal capacity.

Borrowing costs that are directly attributable to the acquisition and development of the development property are capitalised as part of development property during the period of development.

Net realisable value is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less estimated costs of completion and the estimated costs necessary to make the sale.

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are capitalised and amortised to profit or loss as the Group expects to recognise the related revenue.

Sales of development properties under construction in respect of sale and purchase agreements are entered into prior to completion of construction are recognised when the properties are delivered to the buyer, except for in cases where the control and risk and rewards of the property are transferred to the buyers as construction progresses.

The stage of completion is measured by reference to the ratio of contract costs incurred to date to the estimated total contract costs for the contract. When it is probable that the total development costs will exceed the total revenue, the expected loss is recognised as expense immediately.

The aggregate costs incurred and the profit/loss recognised in each development property that has been sold are compared against progress billings up to the financial year-end. Where the costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as unbilled revenue under “trade and other receivables”. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as due to customers on development projects, under “trade and other payables”.

2. Significant accounting policies (continued)

2.7 Investments in subsidiaries, joint ventures and associated companies

Investments in subsidiaries, joint ventures and associated companies are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments in subsidiaries, joint ventures and associated companies, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit and loss.

2.8 Intangible assets

(a) *Goodwill on acquisitions*

Goodwill on acquisitions of subsidiaries on or after 1 January 2010 represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquire over the fair value of the net identifiable assets acquired net of the fair value of the liabilities and any contingent liabilities assumed.

Goodwill on acquisition of subsidiaries prior to 1 January 2010 and on acquisition of joint ventures and associated companies represents the excess of the cost of the acquisition over the fair value of the Group's share of the net identifiable assets acquired.

Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on joint ventures and associated companies is included in the carrying amount of the investments.

Gain and losses on the disposal of subsidiaries, joint ventures and associated companies include the carrying amount of goodwill relating to the entity sold, except for goodwill arising from acquisitions prior to 1 January 2001. Such goodwill was adjusted against retained profits in the year of acquisition and is not recognised in profit or loss on disposal.

(b) *Agriculture operating rights*

Agriculture operating rights pertain to the 70% exclusive rights granted by a related party to the Group to manage and oversee all existing and future plantation estates (the "Maw Tin estate") which may be owned or to be owned by a joint venture company of the related party, and to market and sell the produce for the related party in accordance with the terms and conditions set out in the Joint Planting and Operation Deed. Agriculture operating rights for agriculture activities are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of operating rights over 30 years, which is the shorter of the estimated useful lives and periods of contractual rights.

(c) *Golf estate operating rights*

Golf estate operating pertain to the 70% exclusive rights acquired from a related party to operate and manage the entire estate of Pun Hlaing Golf Estate including the golf course and the country club. Golf estate operating rights are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of operating rights over 37 years, which is the shorter of the estimated useful lives and periods of contractual rights.

(d) *Air operator certificates*

Air operator certificates acquired in a business combination are initially recognised at cost, which represents fair value at the date of acquisition and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of air operator certificates over the management's estimated useful lives of six years. Air operator certificates relate to the certificate issued by the Myanmar Department of Civil Aviation to authorise an operator to carry out specific commercial air transport operations, i.e. hot air balloons for the Group and certificate for each balloon to be flown over Bagan, Myanmar.

2. Significant accounting policies (continued)

2.8 Intangible assets (continued)

(e) Distributor license

Distributor license acquired in a business combination is initially recognised at cost, which represents fair value at the date of acquisition and is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of distributor license over the management's estimated useful life of ten years. Distributor license relates to an Import and Distribution Agreement entered with CNHI International SA ("CNHI") whereby the Group is licensed to market and sell the agricultural tractors licensed by CNHI under the brand of New Holland Agriculture.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2.9 Investment properties

Investment properties include shopping centre and retail stores and condominium apartment units that are held for long-term rental yields and/or for capital appreciation.

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest-and-best-use basis. Changes in fair values are recognised in profit or loss.

Investment properties are subject to renovations or improvements at regular intervals. The costs of major renovations and improvements are capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The costs of maintenance, repairs and minor improvements are recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.10 Call option to acquire land

Call option to acquire land ("call option") is a derivative instrument as it gives the Group the right, but not obligation to buy a plot of land during a 5-year period. Call option is initially recognised at fair value. Subsequent to initial recognition, call option to acquire land is measured at fair value. Gain or loss arising from the change in fair value is recognised in profit or loss for the period in which the change arises. Call option is derecognised when the Group exercised the option or when the option is expired.

2.11 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

2. Significant accounting policies (continued)

2.11 Impairment of non-financial assets (continued)

(b) *Intangible assets*
Prepayments
Property, plant and equipment
Investments in subsidiaries, joint ventures and associated companies

Intangible assets, prepayments, property, plant and equipment and investments in subsidiaries, joint ventures and associated companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also credited to profit or loss.

2.12 Financial assets

(a) *Classification*

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale financial asset. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" (Note 12) and "cash and cash equivalents" (Note 11) on the balance sheet.

(ii) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the balance sheet date.

(b) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive the cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

2. Significant accounting policies (continued)

2.12 Financial assets (continued)

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

(d) Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets are subsequently carried at fair value. Investments in equity instruments whose fair values cannot be reliably measured are measured at cost less impairment loss.

Interest and dividend income on available-for-sale financial assets are recognised separately in income. Changes in fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and the other changes are recognised in other comprehensive income and accumulated in the fair value reserve. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

(e) Impairment

The Group assessed at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that loans and receivables are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost, had no impairment been recognised in prior periods.

(ii) Available-for-sale financial assets

In addition to the objective evidence of impairment described in Note 2.12(e)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired.

If any evidence of impairment exists, the cumulative loss that was previously recognised in other comprehensive income is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised as an expense. The impairment losses recognised as an expense on equity securities are not reversed through profit or loss.

2.13 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2. Significant accounting policies (continued)

2.14 Inventories

Inventories consist of construction materials and consumables which are purchased for the purpose of development properties and leasing business and trading goods of tractors, implements and other spare parts for sale in the ordinary course of business. Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses. The amount of any write-down of inventories to net realisable value shall be recognised as an expense in the period the write-down occurs. The amount of any reversal of write-down of inventories, arising from an increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2.15 Financial guarantees

The Company has issued corporate guarantees to banks for borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's balance sheet.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries' borrowings, unless it is probable that the Company will reimburse the bank for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the bank in the Company's balance sheet.

Intragroup transactions are eliminated on consolidation.

2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

2.17 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.18 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the acquisition of land development rights, construction or development of properties and asset under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction.

2.19 Operating leases

(a) *When the Group is the lessee:*

The Group leases offices, apartment units and office equipment under operating leases from non-related parties.

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

2. Significant accounting policies (continued)

2.19 Operating leases (continued)

(b) *When the Group is the lessor:*

The Group leases investment properties and motor vehicles under operating leases to non-related parties.

Leases of investment properties and motor vehicles where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

2.20 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, joint ventures and associated companies, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.21 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

2. Significant accounting policies (continued)

2.21 Employee compensation (continued)

(b) *Share-based compensation*

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

(c) *Bonus plan*

The Group recognises a liability and an expense for bonuses, based on formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision when contractually obliged to pay or when there is a past practice that has created a constructive obligation to pay.

2.22 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company and all values have been rounded to the nearest thousand (S$"000") unless otherwise stated.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies qualifying as net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) *Translation of Group entities' financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are translated at the closing rates at the reporting date.

2. Significant accounting policies (continued)

2.22 Currency translation (continued)

(c) *Translation of Group entities' financial statements (continued)*

The exchange rates used for translation are as follows:

For financial years ended	Rates	Kyats to USD	USD to SGD
31 March 2015	Year end rate	1,083	1.375900
	Average rate	1,001	1.288774
31 March 2014	Year end rate	961	1.258700
	Average rate	962	1.258643

The exchange rates used to translate the accounts reported in Kyats into USD are the prevailing open market rates observed by most business organisations in Myanmar.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.24 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts (if any) are presented as current borrowings on the balance sheet.

2.25 Biological assets

Biological assets, which primarily comprise coffee plantations, are measured at fair value less costs to sell. Gains or losses arising on initial recognition of plantations at fair value less estimated costs to sell and from the changes in fair value less estimated costs to sell of plantations at each reporting date are included in profit or loss for the period in which they arise. Costs to sell include all costs that would be necessary to sell the assets, including transportation costs.

The fair value of coffee plantations is estimated by reference to independent professional valuations using the discounted cash flows of the underlying biological assets. The expected cash flows from the whole life cycle of coffee plantations are estimated using the estimated yield of the coffee plantation and the estimated market price the coffee beans. In determining the present value of expected net cash flows, an entity includes the net cash flows that market participants would expect the asset to generate in its most relevant market. The estimated yield of the coffee is dependent on the genotype-species and varieties to plant, environment and the coffee plant and its management.

Cultivation of seedlings is stated at cost. The accumulated costs will be reclassified to immature plantations at the time of planting. Biological assets also included land preparation costs which is the cost incurred to clear the land and to ensure that the plantations are in a state ready for the planting of seedlings.

2.26 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.27 Dividends to Company's shareholders

Dividends to Company's shareholders are recognised when the dividends are approved for payments.

2. Significant accounting policies (continued)

2.28 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

2.29 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices, the appropriate quoted markets prices used for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The carrying amounts of current financial assets and liabilities, carried at amortised cost, are assumed to approximate their fair values.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Impairment of loans and receivables and available-for-sale financial assets measured at cost

Management reviews its loans and receivables and available-for-sale financial assets for objective evidence of impairment at least quarterly. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgements as to whether there is observable date indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the market, economic or legal environment in which the debtor operates in. In the case of equity investments classified as available-for-sale, objective evidence of impairment include significant financial difficulty of the issuer and information about significant changes with adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates and indicates that the cost of the investment in equity instrument may not be recoverable.

Where there is objective evidence of impairment, management makes judgements as to whether an impairment loss should be recognised in profit or loss. In determining this, management has used estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between the estimated loss and actual loss experience.

The carrying amounts of loans and receivables at the balance sheet date are disclosed in Note 11 and Note 12. The carrying amount of available-for-sale financial assets measured at cost at the balance sheet date is disclosed in Note 16.

If the net present values of estimated cash flows had been lower by 10% (2014: 10%) from management's estimates for ll past due loans and receivables, the allowance for impairment of the Group would have been higher by S$1,062,000 (2014: S$664,000).

Management has assessed that there is no objective evidence or indication that the carrying amount of the Group's available-for-sale financial assets may not be recoverable as at the balance sheet date, accordingly impairment assessment is not required.

3. Critical accounting estimates, assumptions and judgements (continued)

(b) *Fair value estimation of call option to acquire land*

The Group has been granted a 5-year call option to a plot of land which is carried at fair value, with change in the fair value being recognised in profit or loss. The fair value of the call option is determined by management using the Binomial model.

The determination of the fair value of the call option requires the use of estimates such as strike price, spot price, time value, volatility and risk-free rate. These estimates are based on local market conditions existing at the balance sheet date.

The carrying amount and key assumptions used to determine the fair value of the call option are further explained in Note 20. If the spot price used in the valuation had been 5% (2014: 5%) higher/lower than management's estimate, the carrying amount of the call option would have been S$753,000 (2014: S$1,418,000) higher/lower.

(c) *Revenue for sale of development properties*

The Group recognises revenue for 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 projects.

Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will 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. The amount of revenue recognised from sale of development properties is disclosed in Note 4.

If the revenue on uncompleted properties at the balance sheet date increase/decrease by 10% (2014: 10%) from management's estimates, the Group's revenue will increase/decrease by S$2,609,000/ S$2,584,000 (2014: S$3,455,000/ S$3,455,000) respectively.

If the contract costs of uncompleted properties to be incurred increase/decrease by 10% (2014: 10%) from management's estimates, the Group's profit will decrease/increase by S$617,000/S$503,000 (2014: S$1,536,000/S$1,716,000) respectively.

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

Land development rights and development properties are stated at the lower of cost and net realisable value. Net realisable value of land development rights is assessed by reference to market prices of land development rights at same or nearby location at the balance sheet date less estimated direct selling expenses. Net realisable value of development properties under construction is assessed with reference to market prices at the balance sheet date for similar completed property less estimated costs to complete construction and direct selling expenses. The carrying amounts of land development rights and development properties at the balance sheet date are disclosed in Note 25 and Note 14 respectively.

Management has assessed that increase in the estimated costs to complete construction of up to 27% (2014: 20%) from management's estimate is unlikely to result in decrease in the carrying amounts of land development rights and development properties.

(e) *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. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size and age. The most significant input into this valuation approach is selling price per square metre. The estimates are based on local market conditions existing at the balance sheet. The carrying amount of the investment properties at the balance sheet date is disclosed in Note 21.

If the estimated selling price per square metre of the investment properties determined by independent real estate valuation experts had been 5% (2014: 5%) higher/lower, the carrying amount of the investment properties would have been S$7,808,000 (2014: S$5,033,000) higher/lower.

3. Critical accounting estimates, assumptions and judgements (continued)

(f) Estimated impairment of non-financial assets

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired. Intangible assets, prepayments, property, plant and equipment and investments in subsidiaries, joint ventures and associated companies 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 cash-generating-unit and an appropriate discount rate is required to be made. An impairment exists when the carrying amount of an asset or cash-generating-unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

Management has assessed that other than prepayments and agriculture operating rights, there is no objective evidence or indication that the carrying amounts of the Group's and the Company's other non-financial assets may not be recoverable as at the balance sheet date, accordingly impairment assessment is not required. The carrying amounts of non-financial assets at the balance sheet date are disclosed in Notes 17, 18, 19, 22, 23 and 24 respectively.

As disclosed in Note 22 and Note 24(a) to the financial statements, the recoverable amounts of the prepayments and agriculture operating rights are determined based on value-in-use calculations. The value-in-use calculations are based on a discounted cash flow models. This calculation is most sensitive to changes to expected future cash inflows and the discount rate. The key assumptions applied in the determination of the value in use are disclosed and further explained in Note 22 and Note 24(a) to the financial statements.

Based on the impairment assessment, the Group has recognised an impairment charge of S$6,524,000 (2014: Nil) on the prepayments in the financial year ended 31 March 2015, which reduced the carrying amount of prepayments from S$14,553,000 to S$8,029,000. No impairment charge is recognised for agriculture operating rights as the estimated recoverable amount is higher than its carrying value.

If the estimated market price of coffee crops used in the value-in-use calculations for prepayments had been lower by 5% lower than management's estimate as at 31 March 2015, the Group would have recognised a further impairment charge on prepayments of S$1,900,000. If the estimated weighted cost of capital used in determining the pre-tax discount rate applied to the discounted cash flows for the prepayments had been 1% higher than management's estimate as at 31 March 2015, the Group would have recognised a further impairment charge on prepayments of S$1,654,000.

(g) Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires the determination of the most appropriate valuation model and is dependent on the terms and conditions of the grant. This estimate also requires the determination of the most appropriate inputs to the valuation model, including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and model used for estimating fair value for share-based payment transactions are disclosed in Note 31.

If the actual number of shares under options that are expected to become exercisable on the vesting date differs by 10% (2014: 10%) from management's estimates, net profit will be approximately S$130,000 (2014: S$374,000) higher or lower.

(i) Uncertain tax positions

The Group is subject to income taxes in Singapore and Myanmar jurisdictions. 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 balance sheet date. As management believes that the tax positions are sustainable, the Group has not recognised any additional tax liability on these uncertain tax provisions. The amount of income tax expense and carrying amount of current income tax liabilities at the balance sheet date are disclosed in Note 9.

3. Critical accounting estimates, assumptions and judgements (continued)

(j) Joint arrangements

Judgement is required to determine when the Group has joint control over an investee. The Group has made an assessment of the relevant activities of the investee and whether the decisions in relation to those activities require unanimous consent. The Group has determined that the relevant activities for its investee are those relating to the financing, operating and capital decisions of the investee, such as: the approval the capital expenditure programme for each year, and appointing, remunerating and terminating the key management personnel or service providers of the investee. A joint arrangement exists only when the Group has joint control over the relevant activities of its investee under a contractual arrangement.

Judgement is also required to classify a joint arrangement. Classifying the arrangement requires the Group to assess their rights and obligations arising from the arrangement. Specifically, it considers:

(1) The structure of the joint arrangement – whether it is structured through a separate vehicle

(2) When the arrangement is structured through a separate vehicle, the Group also considers the rights and obligations arising from:

i. the legal form of the separate vehicle
ii. the terms of the contractual arrangement; and
iii. other facts and circumstances (when relevant)

The Group's joint arrangements are structured as limited companies and provide the Group and the parties to the arrangements with rights to the net assets of the limited company under the arrangements. Therefore, these arrangements are classified as joint ventures. Details of the Group's joint arrangements and carrying amount are disclosed in Note 17.

4. Revenue

	Group	
	2015	**2014**
	S$'000	**S$'000**
Sale of goods		
– Land development rights	**27,828**	45,824
– Automotive service products	**7,854**	698
	35,682	46,522
Sale of development properties	**58,663**	45,138
Income from leasing of motor vehicles	**978**	–
Rental income from investment properties (Note 21)	**4,814**	1,377
Rendering of services		
– Hot air balloon	**7,802**	5,298
– Project management and design	**2,988**	2,158
	10,790	7,456
	110,927	100,493

5. Expenses by nature

	Group	
	2015	2014
	S$'000	S$'000
Amortisation of intangible assets [Note 24(e)]	1,006	805
Depreciation of property, plant and equipment (Note 23)	2,042	942
Total amortisation and depreciation	3,048	1,747
Write-off of property, plant and equipment	2	48
Write-back of allowance for impairment of trade receivables [Note 37(b)(ii)]	–	(95)
Write-off of biological assets (Note 26)	217	–
Purchase of inventories	6,629	8,961
Costs of land development rights (Note 25)	20,530	20,511
Marketing and commission	3,916	3,703
Subcontractors and related construction costs	26,699	15,736
Rental expense on operating leases	1,395	689
Employee compensation (Note 8)	21,088	21,684
Professional fees	2,552	732
Auditors' fees		
(a) Fees on audit services paid/payable to:		
– Auditor of the Company	324	268
– Other auditors	34	38
(b) Fees on non-audit services paid/payable to :		
– Auditor of the Company	56	47
Total fees on audit and non-audit services	414	353
Travelling and related costs	1,723	1,372
Loan extension fee	1,577	–
Hot air balloon operating costs	2,011	1,479
Other	5,659	3,181
Changes in inventories	52	1,028
Total cost of sales and administrative expenses	97,512	81,129

6. Other income – net

	Group	
	2015	2014
	S$'000	S$'000
Bargain purchase from acquisition of subsidiaries [Note 40(c)]	2,636	995
Currency translation gains/(losses), net	9,781	(285)
Net fair value gains on investment properties (Note 21)	22,789	5,193
Government grant – SME Cash Grant and Wages Credit	–	3
Gain on disposal of property, plant and equipment	14	1
Interest income on bank deposits	362	158
Management services fee	1,502	307
Write-back of long-outstanding payables and accruals	34	36
Fair value loss on prepayments (Note 22)	(6,524)	–
Other	784	432
	31,342	6,840

7. Finance expenses

	Group	
	2015	2014
	S$'000	S$'000
Interest expense – Bank borrowings	**1,264**	1,100
Currency translation gains, net	**(20)**	(492)
	1,244	608

8. Employee compensation

	Group	
	2015	2014
	S$'000	S$'000
Wages and salaries	**17,948**	16,637
Employer's contribution to defined contribution plans including Central Provident Fund ("CPF")	**131**	121
Share option expenses [Note 32(b)(i)]	**1,298**	3,737
Other short-term benefits	**1,711**	1,189
	21,088	21,684

9. Income taxes

(a) Income tax expense

	Group	
	2015	**2014**
	S$'000	**S$'000**
Tax expense/(credit) attributable to profit is made up of:		
– Profit for the financial year:		
Current income tax		
– Singapore	**152**	105
– Foreign	**2,178**	1,234
	2,330	1,339
Tax on share of profit charged by customer (Note 27)	**627**	–
Deferred income tax (Note 29)	**(111)**	(72)
	2,846	1,267
– Under provision of current income tax in prior financial years		
– Singapore	**9**	212
– Foreign	**1,054**	127
	1,063	339
	3,909	1,606

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	2015	2014
	S$'000	S$'000
Profit before income tax	**43,224**	25,540
Share of (profits)/losses of joint ventures, net of tax (Note 17)	**(25)**	56
Share of losses of associated companies, net of tax (Note 18)	**314**	–
Profit before income tax and share of (profits)/losses of joint ventures and associated companies	**43,513**	25,596
Tax calculated at a tax rate of 17% (2014: 17%)	**7,397**	4,351
Effects of:		
– different tax rates in other countries	**1,957**	425
– expenses not deductible for tax purposes	**2,468**	5,795
– income not subject to tax	**(9,477)**	(9,560)
– tax incentives	**(80)**	(58)
– deferred tax assets not recognised	**581**	284
– other	**–**	30
Tax charge	**2,846**	1,267

9. Income taxes (continued)

(b) Movement in current income tax liabilities

	Group		Company	
	2015	**2014**	**2015**	**2014**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Beginning of financial year	**2,586**	2,560	**113**	72
Acquisition of subsidiaries [Note 40(c)]	**307**	123	**–**	–
Income tax paid	**(4,398)**	(1,606)	**(119)**	(83)
Tax expense	**2,330**	1,339	**17**	104
Under provision in prior financial years	**1,063**	339	**15**	20
Currency translation differences	**(8)**	(169)	**–**	–
End of financial year	**1,880**	2,586	**26**	113

10. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2015	**2014**
Net profit attributable to equity holders of the Company (S$'000)	**28,051**	16,392
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**1,405,322**	1,238,267*
Basic earnings per share (cents)	**2.00**	1.32

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options.

For share options, the weighted average number of shares on issue has been adjusted as if all dilutive share options were exercised. The number of shares that could have been issued upon the exercise of all dilutive share options less the number of share that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net profit.

10. Earnings per share (continued)

(b) Diluted earnings per share (continued)

	2015	2014
Net profit attributable to equity holders of the Company (S$'000)	**28,051**	16,392
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**1,405,322**	1,238,267
Adjustments for share options	**8,494**	10,362
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	**1,413,816**	1,248,629*
Diluted earnings per shares (cents)	**1.98**	1.31

* The weighted average number of ordinary shares outstanding for the financial year ended 31 March 2014 have been adjusted to reflect the effects of the rights issue during the financial year, thus resulted in adjusted basic and diluted earnings per share.

11. Cash and cash equivalents

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Cash at bank and on hand	**20,025**	16,741	**5,658**	4,774

Please refer to Note 40(b) for the effects of acquisition of subsidiaries on cash flows of the Group.

12. Trade and other receivables

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Current				
Trade receivables				
– Non-related parties	**47,283**	50,270	**–**	–
– Entities related by common controlling shareholder	**–**	320	**–**	–
	47,283	50,590	**–**	–
Development properties – Due from customers (Note 14)	**1,403**	–	**–**	–
Non-trade receivables				
– Entities related by common controlling shareholder	**10,682**	23,079	**3,262**	7,813
– Subsidiaries	**–**	–	**372,197**	135,856
	10,682	23,079	**375,459**	143,669
Staff loans	**2,202**	1,644	**2,202**	1,644
Other receivables	**27,642**	10,761	**16,381**	1,071
	89,212	86,074	**394,042**	146,384
Non-current				
Loan to a subsidiary	**–**	–	**91,000**	91,000
Trade receivables	**16,980**	–	**–**	–
	16,980	–	**91,000**	91,000

Non-trade receivables from entities related by common controlling shareholder and subsidiaries are unsecured, interest-free and are receivable on demand.

Staff loans are unsecured, interest-bearing at 5% per annum and are receivable on demand. Included in the staff loans are loans made to three (2014: three) members of key management personnel of the Group amounting to S$1,663,000 (2014: S$1,098,000) which are at the same terms as loans to other staff.

Included in the Group's other receivables are payments made on behalf of non-related joint venture partners and investors for their contribution for future investments amounting to S$15,584,000 (2014: S$6,892,000), and payments made on behalf of customers for their development properties managed by the Group amounting to S$3,774,000 (2014: S$643,000). Included in the Company's other receivables are payments made on behalf of non-related joint venture partners and investors for their contribution for future investments amounting to S$12,032,000 (2014: S$826,000). These other receivables are unsecured, interest-free and are receivable on demand.

Interest-free loan extended to a subsidiary, Yoma Development Group Limited amounting to S$91,000,000 (2014: S$91,000,000), which was for the purpose of acquisition of the economic interests in the land development rights owned by Thanlyin Estate Development Ltd, is a quasi-capital loan. The settlement of the loan is neither planned nor likely to occur in the foreseeable future, therefore formed part of the Company's net investment in the subsidiary.

The fair values of non-current trade receivables which are computed based on cash flows discounted at market interest rate of 0.56% (2014: Nil), approximate their carrying amounts. The fair values are within Level 2 of the fair values hierarchy.

13. Inventories

	Group 2015 S$'000	Group 2014 S$'000
Construction materials	**349**	671
Consumables	**88**	–
Trading goods	**13,678**	–
	14,115	671

The cost of inventories recognised as an expense and included in "cost of sales" amounts to S$6,681,000 (2014: S$9,989,000).

14. Development properties

	Group 2015 S$'000	Group 2014 S$'000
Properties under development, sold units for which revenue is recognised using percentage of completion method – costs incurred	**3,615**	11,225
Other unsold properties under development – costs incurred	**160,230**	27,661
Completed properties	**5,365**	556
	169,210	39,442

Development properties under construction where revenue is recognised as construction progresses:

	Group 2015 S$'000	Group 2014 S$'000
Aggregate costs incurred and profits recognised (less losses recognised) on sold development properties in progress	**30,389**	36,505
Less: Progress billings	**(30,355)**	(47,876)
	34	(11,371)
Presented as:		
Due from customers on development properties under construction (Note 12)	**1,403**	–
Due to customers on development properties under construction (Note 27)	**(1,369)**	(11,371)
	34	(11,371)

15. Other assets

	Group		Company	
	2015	**2014**	**2015**	**2014**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Deposits for acquisition of land	**–**	10,688	**–**	3,020
Advance payment for future business acquisition	**–**	4,227	**–**	4,227
Other deposits	**493**	613	**150**	143
Advances to suppliers and subcontractors	**18,441**	5,609	**–**	–
Other prepayments	**3,077**	3,385	**248**	309
	22,011	24,522	**398**	7,699
Less: Other non-current assets	**(394)**	(580)	**–**	–
	21,617	23,942	**398**	7,699

Other non-current assets refer to prepaid maintenance funds for the shopping centre held by the Group which are not expected to be utilised within 12 months from the balance sheet date.

Included in the advances to suppliers and subcontractors are payments made on behalf of a non-related customer amounting to S$8,758,000 (2014: Nil) which are unsecured, interest-bearing of 8% and receivable on demand.

During the financial year, the Group completed its acquisition of 30% interest in Access Myanmar Distribution Co., Ltd., accordingly advance payment of S$4,227,000 made in prior financial year was reclassified to investments in associated companies (Note 18).

Deposit for acquisition of land made in prior financial year amounting to S$3,020,000 related to plots of land owned by a new subsidiary, Pun Hlaing Lodge Ltd ("PHL") which was acquired during the financial year, accordingly this deposit is deemed to form part of the purchase consideration paid for the acquisition of PHL [Note 40(b)].

16. Available-for-sale financial assets

	Group	
	2015	**2014**
	S$'000	**S$'000**
Beginning of financial year	**8,442**	–
Additions	**1,158**	8,442
Dilution of interests in private equity investment fund - Myanmar	**(722)**	–
Reclassified to investments in associated companies (Note 18)	**(4,823)**	–
Currency translation differences	**324**	–
End of financial year	**4,379**	8,442

Available-for-sale financial assets are analysed as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Unlisted securities		
– Private equity investment fund – Myanmar (Note a)	**3,906**	3,619
– Equity securities – Myanmar (Note b)	**473**	
– Equity securities – Singapore (Note c)	**–**	4,823
Total	**4,379**	8,442

16. Available-for-sale financial assets (continued)

(a) Private equity investment fund relates to the Group's investment in an exempted limited partnership (the "Partnership") which focuses on investments in equity and equity-related securities of companies incorporated in Myanmar, principally based in Myanmar, with principal businesses or have substantial operations (or expect to establish substantial operations) in Myanmar. The Partnership will continue in existence until eight years from its final closing date, subject to two extension of one year each, provided that the second extension shall be subject to prior approval requirement as defined in the Limited Partnership Agreement.

(b) This refers to the Group's 9% equity interest in a special purpose company, MC-Jalux Airport Services Company Limited ("MJAS") which focuses on airport operation in Mandalay, Myanmar. MJAS has signed a concession agreement with Myanmar's Department of Civil Aviation (DCA) for the concession to operate Mandalay International Airport for 30 years.

(c) This refers to the Group's investment in Digicel Asian Holdings Pte. Limited ("Digicel Asian Holdings") which is held by a wholly-owned subsidiary, YSH Finance Ltd.. The Group has increased its equity interest in Digicel Asian Holdings from 8% to 25% through subscription of additional 17% interest in Digicel Asian Holdings in May 2014 (the "Subscription"). Subsequent to the completion of the Subscription, the Group is considered to have significant influence over Digicel Asian Holdings, accordingly the investment in Digicel Asian Holdings is reclassified as investments in associated companies (Note 18).

Investments in the above equity instruments are measured at cost less impairment loss as their fair values cannot be reliably measured. Management has assessed that there is no objective evidence or indication that these financial instruments may not be recoverable as at the balance sheet date considering that the Group's share of the Partnership's net assets is higher than its cost and that MJAS was newly invested during the financial year.

17. Investments in joint ventures

	Group	
	2015	**2014**
	S$'000	**S$'000**
Beginning of financial year	**683**	739
Additions	**3,540**	–
Share of profits/(losses) [(Note 9(a)]	**25**	(56)
End of financial year	**4,248**	683

The Group has certain interests in the ownership and voting rights in the following joint ventures that are held through various subsidiaries. These joint ventures are strategic ventures in the business. The Group jointly controls the ventures with other partners as the contractual agreements require unanimous consent for all major decisions over the relevant activities. All the Group's joint arrangements are structured as a separate vehicle and the Group has a residual interest in its net assets. Accordingly, the Group has classified its interests in these joint arrangements as joint ventures, which are accounted for using the equity method in the consolidated financial statements.

The Group's material joint ventures are summarised below:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Summit SPA Motors Limited	**2,330**	–
Parkson Myanmar Investment Company Pte. Ltd.	**400**	593
MC Elevator (Myanmar) Limited	**788**	–
Other immaterial joint ventures	**730**	90
	4,248	683

17. Investments in joint ventures (continued)

(a) In November 2012, the Group entered into an agreement with Parkson Myanmar Co. Pte Ltd ("Parkson Myanmar") and First Myanmar Investment Company Ltd ("FMI") to establish and operate departmental stores in Myanmar through incorporation of Parkson Myanmar Investment Company Pte. Ltd. and its subsidiaries (collectively, "Parkson Myanmar Group"). The Group has a 20% equity interest at a cost of S$741,000 in Parkson Myanmar Group.

(b) In March 2013, the Group entered into an agreement with Dragages Singapore Pte Ltd to form a jointly controlled entity, BYMA Pte. Ltd. ("BYMA") to design and construct 1,043 apartments in Zone B of Star City, Myanmar and other associated works. The Group has a 40% equity interest at cost of S$400 in BYMA which provides construction of residential apartment buildings.

(c) In December 2013, the Group entered into an agreement with Sumitomo Corporation and FMI for the purpose of establishing a jointly-controlled company, Summit SPA Motors Limited ("Summit SPA") which was incorporated in September 2014, to operate authorised service stations for, and to distribute, Hino trucks and buses in Myanmar. Subsequently, in November 2014, the Group acquired additional 20% equity interest in Summit SPA from FMI, resulted in the increased in its equity interest in Summit SPA from 20% to 40% at cost of S$2,422,000.

(d) In April 2014, the Group entered into an agreement with Mitsubishi Corporation and FMI to set up a new company, MC Elevator (Myanmar) Limited ("MC Elevator"), for the purpose of conducting the business of (i) technical services and solutions for the installation, testing and commissioning of elevators, escalators and related products; (ii) installation, testing and commissioning services, and maintenance and repair services, for elevators, escalators and related products; (iii) the import and supply of elevators, escalators, parts of elevators and escalators, related products, installation and repair equipment in connection with the provision of services; and (iv) all kind of support services to companies engaged in the elevator/escalator business, including administration, documentation and corporate services, operational assistance, management services, business consultancy, technical services and technical assistance, customer related services and brand and product development services. Subsequently, in October 2014, the Group acquired additional 20% equity interest in MC Elevator from FMI, which resulted in the increased in its equity interest in MC Elevator from 20% to 40% at cost of S$788,000.

(e) Also in April 2014, the Group through its subsidiary, Myanmar Motors Pte. Ltd. ("Myanmar Motors") entered into a new joint venture with Mitsubishi Corporation, to carry out the business of providing support services in relation to the provision of various services for companies engaged in the automobile and tyre industry in Myanmar through incorporation of a joint-controlled company, First Japan Tire Services Company Limited ("FJTS"). In November 2014, the Group acquired additional 30% interest in Myanmar Motors from FMI and as a consequence of which, the Group's effective interest in FJTs increased from 21% to 30% at cost of S$266,000.

(f) In July 2014, the Group entered into a joint venture agreement with Kokubu & Co., Ltd. and FMI to incorporate a company, KOSPA Limited ("KOSPA"), to establish and operate the business of distribution of agricultural and marine products, utilising high-specification vehicles with refrigeration capacity in Myanmar. Subsequently, in March 2015, the Group acquired additional 20% equity interest in KOSPA from FMI, which resulted in the increased in its equity interest in KOSPA from 30% to 50% at cost of S$65,000.

The above joint ventures are unquoted equity instruments, accordingly there is no information available regarding the fair value of ownership interest.

The Group has an aggregate S$18,299,000 (2014: S$1,789,000) of commitments to provide funding if called, relating to the above joint ventures. These commitments have not been recognised in the Group's consolidated financial statements.

17. Investments in joint ventures (continued)

Set out below are the joint ventures of the Group as at the end of financial year. The joint ventures have share capital consisting solely of ordinary shares, which are held directly by the Group, the country of incorporation is also their principal place of business.

	Name of joint ventures	Principal activities	Country of incorporation/ Principal place of business	Ownership interest at 31.3.2015	Ownership interest at 31.3.2014
	Joint venture held by Yoma Strategic Investments Ltd.				
(a)	Parkson Myanmar Investment Company Pte. Ltd.	Investment holding	Singapore	**20%**	20%
(b)	MC Elevator (Myanmar) Limited	Technical services and solutions, supply of elevators, escalators and related products	Myanmar	**40%**	–
(d)	KOSPA Limited	Agricultural & Marine products	Myanmar	**50%**	–
	Joint venture held by Myanmar Motors Pte. Ltd.				
(b)	First Japan Tire Services Co., Ltd	Automobile and tyre industry	Myanmar	**30%**	–
	Joint venture held by Elite Matrix International Limited				
(c)	Summit SPA Motors Limited	Services stations and distribute automobile	Myanmar	**40%**	–
	Joint venture held by the SPA Project Management Pte. Ltd.				
(a)	BYMA Pte. Ltd.	Architectural and design services	Singapore	**40%**	40%

(a) Audited by Ernst & Young LLP, Singapore

(b) Audited by Myanmar Vigour Group, Myanmar

(c) Audited by Khin Su Htay & Associates Limited, Myanmar

(d) Newly incorporated in March 2015 and is not required to be audited for the financial period ended 31 March 2015

17. Investments in joint ventures (continued)

Summarised financial information for joint ventures

Set out below are the summarised financial information of joint ventures of the Group as at 31 March 2015, which, in the opinion of the Directors, are material to the Group, based on their financial statements prepared in accordance with FRS, modified for differences in the Group's accounting policies.

Summarised balance sheet as at 31 March

	Summit SPA		MC Elevator		Parkson Myanmar Group	
	2015	2014	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Current assets	**4,790**	–	**3,349**	–	**1,682**	2,016
Includes:						
– Cash and cash equivalents	**1,624**	–	**2,256**	–	**1,562**	1,802
Current liabilities	**(365)**	–	**(1,453)**	–	**(3,552)**	(3,454)
Includes:						
– Financial liabilities (excluding trade payables)	**(365)**	–	**(846)**	–	**(3,235)**	(3,187)
– Other current liabilities (including trade payables)	**–**	–	**(607)**	–	**(317)**	(267)
Non-current assets	**326**	–	**73**	–	**3,867**	4,400
Non-current liabilities	**–**	–	**–**	–	**–**	–
Net assets	**4,751**	–	**1,969**	–	**1,997**	2,962

Summarised statement of comprehensive income for the financial year/period ended 31 March

	Summit SPA		MC Elevator		Parkson Myanmar Group	
	2015	2014	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue	**20**	–	**996**	–	**5,510**	4,229
Interest income	**–**	–	**–**	–	**–**	–
Expenses	**(255)**	–	**(435)**	–	**(2,617)**	(2,109)
Includes:						
– Depreciation and amortisation	**(16)**	–	**(7)**	–	**(292)**	(230)
– Interest expense	**–**	–	**(76)**	–	**–**	–
Loss before income tax	**(230)**		**(172)**	–	**(965)**	(729)
Income tax expense	**–**		**–**	–	**–**	–
Net loss, representing total comprehensive loss	**(230)**	–	**(172)**	–	**(965)**	(729)

17. Investments in joint ventures (continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interests in joint ventures, are as follows:

	Summit SPA		MC Elevator		Parkson Myanmar Group	
	2015	2014	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Net assets						
At 1 April or date of incorporation, if later	4,903	–	1,136	–	2,962	3,746
Loss for the financial year/ period	(230)	–	(172)	–	(965)	(729)
Increase in share capital	–	–	812	–	–	–
Currency translation differences	78	–	193	–	–	(55)
	4,751	–	1,969	–	1,997	2,962
At 31 March						
Interests in joint-ventures	1,869	–	788	–	400	593
Goodwill	461	–	–	–	–	–
Carrying value	2,330	–	788	–	400	593

Immaterial joint ventures

The following table summarises, in aggregate, the carrying amount and share of profit and other comprehensive income of immaterial joint ventures that are accounted for using the equity method:

	Group	
	2015	2014
	S$'000	S$'000
Carrying amount of interest in immaterial joint ventures	730	90
Group's share of:		
– Profit for the financial year/period, representing total comprehensive income	310	90

18. Investments in associated companies

	Group	
	2015	2014
	S$'000	S$'000
Beginning of financial year	–	–
Reclassified from available-for-sale financial assets (Note 16)	4,823	–
Reclassified from other assets (Note 15)	4,227	–
Additions	32,509	–
Share of losses [(Note 9(a)]	(314)	–
Share of other comprehensive income	(2,308)	–
Currency translation differences	1,203	–
End of financial year	40,140	–
Add: Loan to associated company (Note d)	270	–
	40,410	–

18. Investments in associated companies (continued)

The Group's material investments in associated companies are summarised below:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Digicel Asian Holdings Pte. Limited	**24,881**	–
Access Myanmar Distribution Company Limited	**15,314**	–
Other immaterial associated companies	**215**	–
	40,410	–

(a) Digicel Asian Holdings Pte. Limited ("Digicel Asian Holdings") was formerly established for the purpose of the application of telecommunication licence in Myanmar, which was unsuccessful. Digicel Asian Holdings remains committed to exploring telecommunication opportunities in Myanmar and will be rolling out telecommunication towers across Myanmar to telecommunication licence operators in Myanmar. In May 2014, the Group increased its equity interest in Digicel Asian Holdings from 8% to 25% through subscription of an additional 17% interest in Digicel Asian Holdings (the "Subscription"). Subsequent to the completion of the Subscription, the Group is considered to have significant influence over Digicel Asian Holdings, accordingly the investment in Digicel Asian Holdings is reclassified from available-for-sale financial assets (Note 16) to investments in associated companies.

(b) Access Myanmar Distribution Company Limited ("Access Myanmar Distribution") was incorporated to hold the Asia Beverages Co., Ltd. group of companies (the "ABC Group"Li) assets and businesses relating to the production, branding, marketing and distribution of bottled water, spirits, wines, beers, alcoholic beverages and other fast-moving consumer goods products in Myanmar (the "ABC Group's assets and business operations"). During the financial year, the Group completed the acquisition of 30% interest in Access Myanmar Distribution, accordingly the Group has reclassified the advance payment of S$4,227,000 made in previous financial year (Note 15) to investments in associated companies. Total consideration for the acquisition of Access Myanmar Distribution amounting to S$14,269,000, which shall be paid in three payment tranches. The consideration and payment of tranche two and tranche three shall be paid in the event that certain performance benchmark of the ABC Group's assets and business operations for the calendar years ended 31 December 2014 and 2015 are met. Included in the additions during the financial year were consideration payable for tranche two of S$7,843,000 and estimated contingent consideration for tranche three of S$1,445,000 (Note 27).

(c) In June 2014, D Myanmar Investment (Singapore) Pte. Ltd. ("DMI Singapore") allotted and issued additional 9,999 new ordinary shares to various shareholders and the Group. As a result, the Group's interest in DMI Singapore reduced from 100% to 40% and DMI Singapore is reclassified as associated company of the Group.

(d) The loan to associated company is unsecured, interest-free and it is not expected to be repayable in the foreseeable future. There is no certainty on the definite date of repayment as Myanmar Motors Pte. Ltd. intends to provide this loan as financing for D Myanmar Investment (Singapore) Pte Ltd's operations for the long term. Accordingly, the loan is considered to be a quasi-capital loan.

The above associated companies are unquoted equity instruments, accordingly there is no information available regarding the fair value of ownership interest.

The Group has an aggregate S$3,440,000 (2014: Nil) of commitments to provide funding if called, relating to the above associated companies. These commitments have not been recognised in the Group's consolidated financial statements.

18. Investments in associated companies (continued)

Set out below are the associated companies of the Group as at the end of financial year. The associated companies have share capital consisting solely of ordinary shares, which are held directly by the Group, the country of incorporation is also their principal place of business.

	Name of associated companies	Principal activities	Country of incorporation/ Principal place of business	Ownership interest at 31.3.2015	Ownership interest at 31.3.2014
	Associated company held by Yoma Strategic Investments Ltd.				
(a)	Digicel Asian Holdings Pte. Limited	Telecommunications	Singapore	**25%**	–
	Associated company held by Yoma Strategic Investments Ltd.				
(b)	Access Myanmar Distribution Company Limited	Fast-moving consumer goods	Myanmar	**30%**	–
	Associated companies held by Myanmar Motors Pte. Ltd.				
(c)	D Myanmar Investment (Singapore) Pte. Ltd.	Investment holding	Singapore	**40%**	–

(a) Audited by Pricewaterhouse Coopers

(b) Audited by Myint Lwin & Co, Myanmar

(c) Audited by Nexia TS Public Accounting Corporation

Summarised financial information for associated companies

Set out below are the summarised financial information of associated companies of the Group as at 31 March 2015, which, in the opinion of the Directors, are material to the Group, based on their financial statements prepared in accordance with FRS, modified for differences in the Group's accounting policies.

Summarised balance sheet as at 31 March

	Digicel Asian Holdings		Access Myanmar Distribution	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Current assets	**37,735**	–	**22,018**	–
Includes: Cash and cash equivalents	**30,234**	–	**734**	–
Current liabilities	**(5,257)**	–	**(16,101)**	–
Includes:				
– Financial liabilities (excluding trade payables)	**(5,257)**	–	**(7,820)**	–
– Other current liabilities (including trade payables)	**–**	–	**(8,281)**	–
Non-current assets	**184,128**	–	**8,878**	–
Non-current liabilities	**(98,516)**	–	**(5,080)**	–
Includes:				
– Financial liabilities	**(82,553)**	–	**(5,080)**	–
– Other liabilities	**(15,963)**	–	**–**	–
Net assets	**118,090**	–	**9,715**	–

18. Investments in associated companies (continued)

Summarised financial information for associated companies (continued)

Summarised statement of comprehensive income for the financial period ended 31 March

	Digicel Asian Holdings		Access Myanmar Distribution	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Revenue	12,296	–	65,602	–
Interest income	–	–	–	–
Expenses	(17,011)	–	(27,431)	–
Includes:				
– Depreciation and amortisation	(5,616)	–	(721)	–
– Interest expense	(147)	–	–	–
Profit/(loss) before income tax	(4,714)	–	4,099	–
Income tax expense	(483)	–	(614)	–
Net (loss)/profit	(5,197)	–	3,485	–
Other comprehensive income	(9,230)	–	–	–
Total comprehensive (loss)/income	(14,427)	–	3,485	–

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interests in associated companies, are as follows:

	Digicel Asian Holdings		Access Myanmar Distribution	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Net assets				–
At 1 April or date of acquisition, if later	97,144	–	6,230	–
(Loss)/profit for the financial period	(5,197)	–	3,485	–
Equity loan from shareholders	34,817	–	–	–
Other comprehensive income	(9,230)	–	–	–
Currency translation differences	556	–	–	–
	118,090	–	9,715	–
At 31 March				
Interests in associated companies	29,522	–	2,915	–
Goodwill	(5,090)	–	11,645	–
Currency translation differences	449	–	754	–
Carrying value	24,881	–	15,314*	–

* Included in the carrying value of investment in Access Myanmar Distribution was the estimated contingent consideration for tranche three of S$1,445,000.

18. Investments in associated companies (continued)

Immaterial associated companies

The following table summarises, in aggregate, the carrying amount and share of profit and other comprehensive income of immaterial associated companies that are accounted for using the equity method:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Carrying amount of interest in immaterial associated companies	**215**	–
Group's share of:		
– Loss for the financial year/period, representing total comprehensive loss	**(60)**	–

19. Investments in subsidiaries

	Company	
	2015	**2014**
	S$'000	**S$'000**
Equity investment at cost		
Beginning of financial year	**103,430**	103,568
Write-off of fair value of financial guarantee capitalised as deemed costs of investments in subsidiaries	**–**	(138)
End of financial year	**103,430**	103,430

Details of the subsidiaries are as follows:

	Name of subsidiaries	Principal activities	Country of incorporation/ Principal place of business	Equity holdings at 31.3.2015	Equity holdings at 31.3.2014
	Held by the Company				
(1)	Yoma Strategic Investments Ltd.	Investment holding	Singapore	**100%**	100%
	Subsidiaries of Yoma Strategic Investments Ltd.				
(1)	Lion Century Properties Limited	Property development rights holding, property development	British Virgin Islands/ Myanmar	**100%**	100%
(1)	Yoma Education Pte. Ltd.	Investment holding	Singapore	**100%**	100%
(1)	Yoma Development Group Pte. Ltd.	Investment holding	Singapore	**100%**	100%
(1)	Plantation Resources Pte. Ltd.	Agricultural activities	Singapore	**100%**	100%
(1)	Wayville Investments Limited	Investment holding	British Virgin Islands	**100%**	100%
(1)	Elite Matrix International Limited	Investment holding/automotive activities	British Virgin Islands	**100%**	100%
(1)	YSH Finance Ltd.	Investment holding	British Virgin Islands	**100%**	80%

19. Investments in subsidiaries (continued)

	Name of subsidiaries	Principal activities	Country of incorporation/ Principal place of business	Equity holdings at 31.3.2015	Equity holdings at 31.3.2014
	Subsidiaries of Yoma Strategic Investments Ltd. (continued)				
(1)	Chindwin Holdings Pte. Ltd.	Investment holding	Singapore	**70%**	70%
(1)	Welbeck Global Limited	Investment holding	British Virgin Islands	**100%**	100%
(1)	Yoma Agricultural & Logistics Holding Pte. Ltd.	Investment holding	Singapore	**100%**	100%
(4)	Pun Hlaing Lodge Limited	Property development rights holding, property development	Myanmar	**100%**	–
(4)	Yangon Sand Industries Limited	Property development rights holding, property development	Myanmar	**100%**	–
(9)	Summit Brands Restaurant Group Company Limited	Quick service restaurant related services	Myanmar	**100%**	–
(11)	Meeyahta International Hotel Limited	Property development	Myanmar	**80%**	–
(1)	Access Myanmar Holding Company Pte. Ltd.	Investment holding	Singapore	**60%**	–
(4)	Yoma Nominee Limited	Investment holding	Myanmar	**100%**	–
	Subsidiaries of Elite Matrix International Limited				
(1)	Myanmar Motors Pte. Ltd.	Automotive activities	Singapore/ Myanmar	**100%**	70%
(10)	Convenience Prosperity Company Limited	Automotive activities	Myanmar	**100%**	-
	Subsidiary of Wayville Investments Limited				
(1)	Wyndale International Limited	Investment holding	British Virgin Islands	**100%**	100%
	Subsidiaries of Yoma Development Group Pte. Ltd.				
(2)	Yoma Development Group Limited	Property development, management, design and architectural services	Myanmar	**100%**	100%
(1)	SPA Project Management Pte. Ltd.	Project management services	Singapore	**100%**	100%
(1)	SPA Design Pte. Ltd.	Design services	Singapore	**100%**	100%
(1)	SPA Project Management Services Limited	Project management & design services	Myanmar	**100%**	–

19. Investments in subsidiaries (continued)

	Name of subsidiaries	Principal activities	Country of incorporation/ Principal place of business	Equity holdings at 31.3.2015	Equity holdings at 31.3.2014
	Subsidiary of SPA Design Pte. Ltd.				
(1)	TOL & SPA Design Pte. Ltd.	Design services	Singapore	**51%**	51%
	Subsidiary of Yoma Development Group Limited				
(3)	Thanlyin Estate Development Limited	Property development	Myanmar	**70%**	70%
	Subsidiary of Thanlyin Estate Development Limited				
(1)	Thanlyin Estate Development (Singapore) Pte. Ltd.	Advertising activities	Singapore	**100%**	100%
	Subsidiary of Plantation Resources Pte. Ltd.				
(1)	Myanmar Coffee Company Pte. Ltd.	Agriculture activities	Singapore/ Myanmar	**85%**	85%
	Subsidiaries of Myanmar Motors Pte. Ltd.				
(5)	German Car Industries Company Limited	Automotive activities	Myanmar	**100%**	100%
(6)	Yoma Fleet Limited	Automotive activities	Myanmar	**100%**	100%
(6)	Vehicle Lease Management Limited	Management services	Myanmar	**100%**	100%
(4)	Successful Goal Trading Company Limited	Automotive activities	Myanmar	**70%**	70%
	Subsidiary of Wyndale International Limited				
(7)	Xun Xiang (Dalian) Enterprise Co., Ltd.	Leasing of retail space	People's Republic of China	**100%**	100%
	Subsidiaries of Chindwin Holdings Pte. Ltd.				
(8)	Shwe Lay Ta Gun Travels and Tours Company Limited	Tourism services	Myanmar	**75%**	75%
(1)	Eastern Safaris Pte. Ltd.	Other business support services	Singapore	**75%**	75%
(2)	Chindwin Investments Limited	Investment holding	Myanmar	**100%**	100%
	Subsidiary of Chindwin Investments Limited				
(8)	Chindwin Bagan Company Limited	Construction and hotel related businesses	Myanmar	**75%**	75%
(8)	Chindwin Pindaya Company Limited	Hold land for development relating to the luxury tourism business sector	Myanmar	**75%**	-

19. Investments in subsidiaries (continued)

(1) Audited by Nexia TS Public Accounting Corporation.

(2) For the purpose of preparing the consolidated financial statements, these financial statements have been audited by Nexia TS Public Accounting Corporation, Singapore. Audited by Daw Myint Myint Toe Certified Public Accountants, Myanmar for local statutory purposes.

(3) In accordance with the transitional provisions of FRS 110 – *Consolidated* Financial Statements, the Group has assessed that it continues to have power over Thanlyin Estate Development Ltd ("TED"), exposure or rights to variable returns from its involvement with TED and ability to use its power to affect those returns. Accordingly, TED remains as a subsidiary of the Group. Although the Group is not the legal shareholder of TED, it has 70% voting power as assigned by the legal shareholder upon acquisition in June 2012 and is entitled to all dividends rights or other distributions that the legal shareholder shall receive or is entitled to its 70% shareholdings. Audited by Nexia TS Public Accounting Corporation for consolidation purpose.

(4) Not required to be audited for current financial year as the subsidiaries were newly incorporated and/or inactive and have insignificant impact to the financial statements of the Group.

(5) For the purpose of preparing the consolidated financial statements, these financial statements have been audited by Nexia TS Public Accounting Corporation, Singapore. Audited by JF Group Accounting and Consulting Firm Certified Public Accountants, Myanmar for local statutory purposes.

(6) For the purpose of preparing the consolidated financial statements, these financial statements have been audited by Nexia TS Public Accounting Corporation, Singapore. Audited by U Myint Lwin Certified Public Accountants, Myanmar for local statutory purposes.

(7) For the purpose of preparing the consolidated financial statements, these financial statements have been audited by Nexia TS Public Accounting Corporation, Singapore. Audited by Dalian Boyuan United Certified Public Accountants, People's Republic of China for local statutory purposes.

(8) For the purpose of preparing the consolidated financial statements, these financial statements have been audited by Nexia TS Public Accounting Corporation, Singapore. Audited by U Zaw Lwin & Associates Certified Public Accountants, Myanmar for local statutory purposes.

(9) New entities acquired towards end of financial year ended 31 March 2015 but the acquisition completed after year ended, thus not included in year ended 31 March 2015 consolidated financial statements

(10) For the purpose of preparing the consolidated financial statements, these financial statements have been audited by Nexia TS Public Accounting Corporation, Singapore. Audited by Win Htut Aung & Associates Certified Public Accountants, Myanmar for local statutory purposes.

(11) For the purpose of preparing the consolidated financial statements, these financial statements have been audited by Nexia TS Public Accounting Corporation, Singapore. Audited by EY UTW (Myanmar) Ltd Accountants, Myanmar for local statutory purposes.

(12) Given that full scope of audit on significant subsidiaries incorporated outside Singapore have been performed by Nexia TS Public Accounting Corporation for the purpose of expressing its audit opinion on the Group's consolidated financial statements and that no separate opinion is required to be issued on the financial statements of these subsidiaries for which Nexia TS Public Accounting Corporation is not the statutory auditor, the Company believes that Rule 715 has been complied with.

19. Investments in subsidiaries (continued)

Transactions with non-controlling interests – Acquisition of additional interests in subsidiaries

(a) In August 2014, the Group through its wholly-owned subsidiary, Yoma Strategic Investments Limited, acquired the remaining 20% of the issues shares of YSH Finance Ltd ("YSH Finance") by way of acquisition of two ordinary shares in the capital of YSH Finance for S$2.00 and an assignment of shareholders' loan amounting to S$5,057,000 [Note 28(c)].

(b) In November 2014, the Group through its wholly-owned subsidiary, Elite Matrix International Limited, acquired the remaining 30% of the issued shares of Myanmar Motor by way of acquisition of three ordinary shares in the capital of Myanmar Motor for S$3.00 and an assignment of shareholders' loan amounting to S$1,530,000 [Note 28(c)]. As a consequence of this acquisition, the Group's interests in the subsidiaries held by Myanmar Motor, German Car Industries Company Limited, Yoma Fleet Limited and Vehicle Lease Management Limited, have increased from 70% to 100%.

The Group now holds 100% of the equity share capital of both YSH Finance and Myanmar Motor and its subsidiaries. The carrying amounts of the non-controlling interests in YSH Finance and Myanmar Motors and its subsidiaries on the date of acquisition were debit balances of S$5,000 and S$196,000 respectively. The Group has derecognised non-controlling interests of S$201,000 and recorded a decrease in equity attributable of owners of the parent of S$201,000. The effect of the changes in the ownership interests of YSH Finance and Myanmar Motors and its subsidiaries on the equity attributable to owners of the Company during the financial year is summarised as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Carrying amounts of non-controlling interests acquired	**(201)**	–
Consideration paid to non-controlling interests	**–***	–
Excess of consideration paid recognised in parent's equity	**(201)**	–

* Amount less than S$1,000

Interests in subsidiaries with material non-controlling interests ("NCI") that are material to the Group

Name of subsidiaries	**County of incorporation/ Principal place of business**	**Proportion of ownership interests held by NCI**	**Profit/(loss) allocated to NCI during the financial year**	**Accumulated NCI at the end of financial year**	**Dividends paid/payable to NCI**
2015			**S$'000**	**S$'000**	**S$'000**
Thanlyin Estate Development Limited	Myanmar	30%	15,733	55,193	1,257
Shwe Lay Ta Gun Tavels and Tours Company Limited	Myanmar	47.5%	883	(2,035)	–
Meeyahta International Hotel Limited	Myanmar	20%	(119)	13,678	–
Chindwin Holdings Pte. Ltd.	Singapore	30%	(304)	4,091	–

Name of subsidiaries	**County of incorporation/ Principal place of business**	**Proportion of ownership interests held by NCI**	**Profit/(loss) allocated to NCI during the financial year**	**Accumulated NCI at the end of financial year**	**Dividends paid/payable to NCI**
2014			**S$'000**	**S$'000**	**S$'000**
Thanlyin Estate Development Limited	Myanmar	30%	12,898	45,817	314
Shwe Lay Ta Gun Tavels and Tours Company Limited	Myanmar	47.5%	643	(3,072)	-
Chindwin Holdings Pte. Ltd.	Singapore	30%	(18)	4,394	-

19. Investments in subsidiaries (continued)

Significant restrictions

The nature and extent of significant restrictions on the Group's ability to use or access assets and settle liabilities of subsidiaries are:

Cash and short-term deposits of S$10,907,000 and S$1,697,000 (2014: S$7,590,000 and S$2,093,000) are held in Myanmar and the People's Republic of China respectively and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

Summarised financial information of subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interest that are material to the Group. These are presented before inter-company eliminations.

Summarised balance sheet as at 31 March

	Thanlyin Estate Development Limited		Shwe Lay Ta Gun Travels and Tours Company Limited		Meeyahta International Hotel Limited		Chindwin Holdings Pte. Ltd.	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Current								
Assets	**71,264**	75,528	**5,678**	2,960	**95,481**	–	**11,521**	8,220
Liabilities	**(42,979)**	(34,616)	**(3,633)**	(2,072)	**(23,111)**	–	**(2,576)**	(423)
Total current net assets	**28,285**	40,912	**2,045**	888	**72,370**	–	**8,945**	7,797
Non-current								
Assets	**156,218**	184,983	**4,281**	3,489	**15,483**	–	**27,515**	27,447
Liabilities	**(1,143)**	–	**(950)**	(926)	**(4,118)**	–	**(24,373)**	(22,145)
Total non-current net assets	**155,075**	184,983	**3,331**	2,563	**11,365**	–	**3,142**	5,302
Net assets	**183,360**	225,895	**5,376**	3,451	**83,735**	–	**12,087**	13,099

Summarised statement of comprehensive income for financial year/period ended 31 March

	Thanlyin Estate Development Limited		Shwe Lay Ta Gun Travels and Tours Company Limited		Meeyahta International Hotel Limited		Chindwin Holdings Pte. Ltd.	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Revenue	**62,640**	61,500	**7,802**	5,298	**674**	–	**–**	–
Profit/(loss) before income tax	**38,711**	24,922	**2,121**	1,546	**65**	–	**746**	(59)
Income tax expense	**(1,274)**	(776)	**(519)**	(407)	**–**	–	**–**	–
Net profit/(loss)	**37,437**	24,146	**1,602**	1,139	**65**	–	**746**	(59)
Other comprehensive Income	**(1,992)**	(15)	**323**	_*	**1,403**	_	_	_
Total comprehensive Income/(loss)	**35,445**	24,131	**1,925**	1,139	**1,468**	–	**746**	(59)
Total comprehensive income allocated to non-controlling interests	**10,634**	7,239	**1,037**	643	**162**	–	**(304)**	(18)
Dividends paid to to non-controlling interests	**1,257**	314	**–**	–	**–**	–	**–**	–

* Amount less than S$1,000

19. Investments in subsidiaries (continued)

Summarised financial information of subsidiaries with material non-controlling interests (continued)

Summarised statement of cash flows for the financial year/period ended 31 March

	Thanlyin Estate Development Limited		Shwe Lay Ta Gun Travels and Tours Company Limited		Meeyahta International Hotel Limited		Chindwin Holdings Pte. Ltd.	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Cash generated from/(used in) operations	**52,060**	6,212	**2,839**	1,489	**3,468**	–	**2,295**	(7,859)
Income tax paid	**(1,208)**	(23)	**–**	–	**(12)**	–	**–**	–
Net cash provided by/(used in) operating activities	**50,852**	6,189	**2,839**	1,489	**3,456**	–	**2,295**	(7,859)
Net cash (used in)/provided by investing activities	**(46,908)**	(533)	**(967)**	(722)	**(3,170)**	–	**(2,295)**	7,859
Net cash used in financing activities	**(4,191)**	(1,048)	**–**	–	**–**	–	**–**	–
Net (decrease)/increase in cash and cash equivalents	**(247)**	4,608	**1,872**	767	**286**	–	**–**	–
Cash and cash equivalents at beginning of financial year/ period	**4,630**	168	**1,389**	503	**92**	–	*****	*
Cash and cash equivalents at end of financial year/ period	**4,383**	4,776	**3,261**	1,270	**378**	–	**–***	*

* Amount less than S$1,000

20. Call option to acquire land

	Group	
	2015	**2014**
	S$'000	**S$'000**
Beginning of financial year	**13,161**	–
Additions through acquisition of subsidiaries [Note 40(c)]	**–**	13,161
End of financial year	**13,161**	13,161

The Group has been granted a 5-year call option over 75% interest in 21.16 acres of land located near the Irrawaddy River in Bagan, Myanmar ("Bagan Land") for US$3,750,000 by Ms Khin Omar Win free from all encumbrances in the event that the land use of Bagan Land is converted into "other use purpose" other than the farmland use and that Ms Khin Omar Win has obtained the proper Myanmar legal status for the construction and operation of a hotel business on the Bagan Land in accordance with the Farmland Law 2012. The call option was granted to the Group pursuant to the Sale and Purchase Agreement entered into by the Group with Ms Khim Omar Win and Ms Khin San Win for the acquisition of shares in Shwe Lay Ta Gun Travels and Tours Company Limited on 28 May 2013 (Note 40).

The Group has accounted for the call option as derivative instrument as it gives the Group the right, but not the obligation to buy a plot of land during a 5-year period from 23 May 2013. The fair values of the call option was determined by management using the Binomial model.

Management has assessed that the fair value of the call option at the balance sheet date to approximate the fair value at the grant date as there is infrequent land transactions which are expected to result in substantial fluctuations to the significant inputs.

The significant inputs into the model were the strike price of approximately S$5,160,000 (2014: S$4,719,000), spot price of approximately S$15,677,000 (2014: S$14,723,000), volatility of 100% (2014: 100%) and risk-free rate of 9.0% (2014: 9.0%).

21. Investment properties

	Group		
	Completed investment properties	Investment properties under construction	Total
	S$'000	S$'000	S$'000
2015			
Beginning of financial year	100,657	4,000	104,657
Currency translation differences	8,943	–	8,943
Movements:			
– Transferred from development properties	–	17,941	17,941
– Transferred to completed investment properties	21,941	(21,941)	–
– Transferred to property, plant and equipment (Note 23)	(747)	–	(747)
– Transferred to land development rights (Note 25)	(4,128)	–	(4,128)
– Subsequent expenditure on investment properties	6,688	–	6,688
	23,754	(4,000)	19,754
Net fair value gains recognised in profit or loss (Note 6)	22,789	–	22,789
End of financial year	**156,143**	**–**	**156,143**

	Group		
	Completed investment properties	Investment properties under construction	Total
	S$'000	S$'000	S$'000
2014			
Beginning of financial year	88,830	–	88,830
Currency translation differences	1,287	94	1,381
Movements:			
– Transferred from development properties	2,245	–	2,245
– Subsequent expenditure on investment properties	3,102	3,906	7,008
	5,347	3,906	9,253
Net fair value gains recognised in profit or loss (Note 6)	5,193	–	5,193
End of financial year	**100,657**	**4,000**	**104,657**

Transfer from development properties
During the financial year, the Group transferred 150 (2014: 16) residential units which were completed from development properties to investment properties as these residential units have been leased out to non-related parties under operating leases.

Transfer to property, plant and equipment/ land development rights
During the financial year, the Group transferred two plots of land that were held as investment properties to owner-occupied property and land development rights as the land was intended to build office building for the Group's own use and for sale in the ordinary course of the business respectively.

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Investment properties are leased to non-related parties under operating leases [Note 35(c)].

Investment property with a carrying amount of S$99,424,000 (2014: S$90,117,000) is mortgaged to secure bank borrowings of the Group [Note 28(a)].

21. Investment properties (continued)

The following amounts are recognised in profit or loss:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Rental income (Note 4)	**4,814**	1,377
Direct operating expenses arising from:		
– Investment properties that generate rental income	**1,680**	348
– Investment properties that do not generate rental income	**–**	13

At the balance sheet date, the details of the Group's investment properties are as follows:

Location	**Description/existing use**	**Tenure**
No. 128 Jinma Road, Jinzhou New Area, Dalian, Liaoning Province, the People's Republic of China	Shopping centre and retail stores	Leasehold with 40 years lease expiring on 16 November 2046
Within Pun Hlaing Golf Estate, Yaw Atwin Wun U Pho Hlaing Street, Hlaing Thar Ya Township, Yangon, Myanmar	Residential units	Leasehold with 60 years lease which is currently in-progress
Within Star City Thanlyin, Kyaik Khauk Pagoda Road, Thanlyin Township, Yangon, Myanmar	Commercial units	Leasehold with 60 years lease expiring on 20 February 2064
Within Star City Thanlyin, Kyaik Khauk Pagoda Road, Thanlyin Township, Yangon, Myanmar	Residential units	Leasehold with 60 years lease expiring on 20 February 2064

Fair value hierarchy

	Fair value measurements at 31 March 2015 using		
Description	**Quoted prices in active market for identical assets (Level 1)**	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
	S$'000	**S$'000**	**S$'000**
Recurring fair value measurements			
Investment properties:			
– Shopping centre and retail stores – People's Republic of China	–	99,424	–
– Residential units – Myanmar	–	53,916	–
– Commercial units – Myanmar	–	2,803	–

	Fair value measurements at 31 March 2014 using		
Description	**Quoted prices in active market for identical assets (Level 1)**	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
	S$'000	**S$'000**	**S$'000**
Recurring fair value measurements			
Investment properties:			
– Shopping centre and retail stores – People's Republic of China	–	90,117	–
– Residential units – Myanmar	–	10,540	–

21. Investment properties (continued)

Valuation techniques used to derive Level 2 fair values

Level 2 fair values of the Group's properties have been generally derived using the sales comparison approach. Sale prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size and age. The most significant input into this valuation approach is selling prices per square metre.

There were no changes in valuation techniques during the financial year. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date the event or change in circumstances that caused the transfer. There were no transfers into or out of fair value hierarchy levels for the financial years ended 31 March 2015 and 2014.

Valuation processes of the Group

The Group engages external, independent and qualified valuers to determine the fair values of the Group's properties at the end of every financial year based on the properties' highest and best use. As at 31 March 2015, the fair values of the properties located in People's Republic of China and Myanmar have been determined by Dalian DTZ Debenham Tie Leung Real Estate Appraisal Co., Ltd. and Jones Lang LaSalle Property Consultants Pte Ltd respectively.

At each financial year end, the finance department:
– verifies all major inputs to the independent valuation report;
– assesses property valuation movements when compared to prior year valuation report; and
– holds discussions with the independent valuer.

Changes in Level 2 and Level 3 fair values are analysed at each reporting date at least annually during valuation discussion between the Group Financial Controller, Chief Executive Officer, Executive Chairman, Audit and Risk Management Committee and the valuation team ("the team"). As part of this discussion, the team presents a report that explains the reasons for the fair value movements, if any.

22. Prepayments

	Group	
	2015	**2014**
	S$'000	**S$'000**
Cost		
Beginning of financial year	**15,813**	14,465
Additions	**1,163**	1,348
End of financial year	**16,976**	15,813
Accumulated impairment loss		
Beginning of financial year	**(2,423)**	(2,423)
Charge for the financial year (Note 6)	**(6,524)**	–
End of financial year	**(8,947)**	(2,423)
Net Book Value	**8,029**	13,390

Pursuant to a Crop and Produce Supply Agreement which a subsidiary, Plantation Resources Pte Ltd, entered into with a company which is controlled by a director who is also the majority shareholder of the Company, the subsidiary agrees to make a prepayment to the related party for a minimum quantity of crops produced by the plantation owned by the related party. Such prepayments shall be offset against the price of the crops purchased by the subsidiary.

22. Prepayments (continued)

The Group reviews the necessity and adequacy of the allowance for impairment at each reporting date and make adjustments when necessary. Prepayments are tested for impairment whenever there is any objective evidence or indication that the prepayments may be impaired.

On 11 March 2014, the Group entered into a joint venture agreement with Volcafe Pte Ltd and ED&F Man Holdings Ltd (collectively "Volcafe Group") for the cultivation and production of coffee (the "Coffee project") on the land to which the Group's agriculture operating rights relate [Note 24(a)]. In conjunction with the joint venture agreement with Volcafe Group, the Group was also in the midst of discussion with various parties to expand its agriculture business segment including with the related party to whom the prepayments were made. In view of the current development, impending potential collaborations and ongoing discussion with related party regarding the utilisation and settlement of the prepayments which has not been concluded as at previous financial year, management was of the opinion that there was no further impairment required. Accordingly, no impairment assessment was performed as at 31 March 2014.

During the financial year, the Group finalised the discussion with the related party regarding the utilisation and settlement of the prepayments. Based on the new arrangement, the Group has carried out impairment test for the prepayments based on value-in-use. Cash flow projections used in these calculations were based on financial budgets approved by management covering the remaining contractual period of the agriculture operating rights of 22 years. Key assumptions used for value-in-use calculations were as below:

	2015
Crop yield rate	1,250 kg/acre
Market price of crop	US$2,165/MT – US$2,361/MT
Growth rate[1]	1.85%
Discount rate[2]	20%

[1] Growth rate used in the projections of future market price of crop

[2] Pre-tax discount rate applied to the pre-tax cash flow projections

These assumptions were used for the analysis of the agriculture business segment. Management determined projected crop yield rate, market price of crop, related capital expenditure and operating costs based on past performance and its expectations of market developments. The growth rates used in the projections of future market price were consistent with forecasts included in industry report. The discount rate used was pre-tax and reflected specific risks relating to the agriculture business.

23. Property, plant and equipment

	Office building S$'000	Machinery and equipment S$'000	Renovation, furniture and office equipment S$'000	Motor vehicles S$'000	Computers S$'000	Hot air balloons and equipment S$'000	Water Treatment Plant S$'000	Construction-in-progress S$'000	Total S$'000
Group									
2015									
Cost									
Beginning of financial year	617	1,020	1,057	2,248	606	744	–	128	6,420
Acquisition of subsidiaries [Note 40(c)]	23	397	214	432	34	–	–	–	1,100
Transferred from investment properties (Note 21)	–	–	–	–	–	–	–	747	747
Additions	1,459	234	628	6,027	392	674	1,206	1,520	12,140
Written off	–	–	(3)	–	–	–	–	–	(3)
Disposals	(99)	(4)	(109)	(337)	(105)	–	–	(127)	(781)
Currency translation differences	211	20	(56)	(95)	1	115	–	(7)	189
End of financial year	2,211	1,667	1,731	8,275	928	1,533	1,206	2,261	19,812
Accumulated depreciation									
Beginning of financial year	165	307	333	589	289	105	–	–	1,788
Depreciation charge (Note 5)	225	149	270	991	184	213	10	–	2,042
Written off	–	–	(1)						(1)
Disposals	(112)	(3)	(99)	(283)	(100)	–	–	–	(597)
Currency translation differences	(6)	(9)	–	(27)	10	24	–	–	(8)
End of financial year	272	444	503	1,270	383	342	10	–	3,224
Net book value									
End of financial year	**1,939**	**1,223**	**1,228**	**7,005**	**545**	**1,191**	**1,196**	**2,261**	**16,588**

23. Property, plant and equipment (continued)

	Office building S$'000	Machinery and equipment S$'000	Renovation, furniture and office equipment S$'000	Motor vehicles S$'000	Computers S$'000	Hot air balloons and equipment S$'000	Construction-in-progress S$'000	Total S$'000
Group								
2014								
Cost								
Beginning of financial year	352	1,041	601	1,105	398	–	–	3,497
Acquisition of subsidiaries [Note 40(c)]	175	118	46	142	3	306	–	790
Additions	179	16	463	1,150	229	438	128	2,603
Written off	(70)	–	(18)	–	(6)	–	–	(94)
Disposals	(13)	(37)	(5)	(14)	(6)	–	–	(75)
Currency translation differences	(6)	(118)	(30)	(135)	(12)	–	–	(301)
End of financial year	617	1,020	1,057	2,248	606	744	128	6,420
Accumulated depreciation								
Beginning of financial year	114	170	215	297	192	–	–	988
Depreciation charge (Note 5)	86	176	152	325	98	105	–	942
Written off	(26)	–	(16)	–	(4)	–	–	(46)
Disposals	–	(24)	(10)	(9)	(2)	–	–	(45)
Currency translation differences	(9)	(15)	(8)	(24)	5	–	–	(51)
End of financial year	165	307	333	589	289	105	–	1,788
Net book value								
End of financial year	452	713	724	1,659	317	639	128	4,632

23. Property, plant and equipment (continued)

	Motor vehicles S$'000	Computers S$'000	Renovation, furniture and office equipment S$'000	Total S$'000
Company				
2015				
Cost				
Beginning of financial year	534	108	247	889
Additions	83	18	35	136
Write-off	–	–	(1)	(1)
End of financial year	617	126	281	1,024
Accumulated depreciation				
Beginning of financial year	165	37	40	242
Depreciation charge	101	36	70	207
Write-off	–	–	(1)	(1)
End of financial year	266	73	109	448
Net book value				
End of financial year	**351**	**53**	**172**	**576**
2014				
Cost				
Beginning of financial year	154	34	64	252
Additions	400	80	199	679
Disposals	(20)	–	–	(20)
Written off	–	(6)	(16)	(22)
End of financial year	534	108	247	889
Accumulated depreciation				
Beginning of financial year	89	17	24	130
Depreciation charge	77	25	30	132
Written off	–	(5)	(14)	(19)
Disposals	(1)	–	–	(1)
End of financial year	165	37	40	242
Net book value				
End of financial year	369	71	207	647

24. Intangible assets

	Group	
	2015	**2014**
	S$'000	**S$'000**
Composition:		
Agriculture operating rights [Note (a)]	**10,369**	10,888
Golf estate operating rights [Note (b)]	**16,132**	–
Air operator certificates [Note (c)]	**1,434**	1,778
Distributor license [Note (d)]	**4,254**	–
	32,189	12,666

(a) Agriculture operating rights

	Group	
	2015	**2014**
	S$'000	**S$'000**
Cost		
Beginning and end of financial year	**14,661**	14,661
Accumulated amortisation		
Beginning of financial year	**3,773**	3,254
Amortisation charge	**519**	519
End of financial year	**4,292**	3,773
Net book value	**10,369**	10,888

Agriculture operating rights pertain to the 70% exclusive rights granted by a related party to the Group to manage and oversee all existing and future plantation estates (the "Maw Tin estate") which may be owned or to be owned by a joint venture company of the related party, and to market and sell the produce for the related party in accordance with the terms and conditions set out in the Joint Planting and Operation Deed. The Maw Tin estate, which comprises 100,000 acres of contiguous agricultural land, is located in the Ayerwaddy Division of Myanmar.

The Group reviews the necessity and adequacy of the allowance for impairment at each reporting date and make adjustments when necessary. Agriculture operating rights are tested for impairment whenever there is any objective evidence or indication that the agriculture operating rights may be impaired.

As stated in Note 22, the Group was expanding its agriculture business segment through collaboration with various parties and one of the objectives was to maximise the return on its agriculture operating rights. Pursuant to the joint venture agreement signed with Volcafe Group, the Group had commenced the Phase One of the Coffee project with the aim of planting a total of approximately 3,700 acres of coffee by the end of the fourth year through its 85% owned subsidiary, Myanmar Coffee Company Pte Ltd ("Myanmar Coffee"). Volcafe Group, through its global trading network and expertise, intends to guarantee the off-take of the whole coffee crop under an off-take agreement to be entered into. Subject to the unanimous approval of the Board of Myanmar Coffee, the Group will progress to Phase Two of the Coffee project for the establishment and management of a total of approximately 10,000 acres of coffee to the maximum economically viable extent taking into consideration Phase One.

24. Intangible assets (continued)

(a) Agriculture operating rights (continued)

As Maw Tin estate comprises 100,000 acres of contiguous agricultural land in the Ayerwaddy Division of Myanmar and the lease of the agriculture operating rights of 30 years is subject to further extension, the Group was exploring collaboration opportunities with various parties to cultivate the remaining areas of the estate. In view of the current development, impending potential collaborations and ongoing discussion with various parties which has not been concluded and considering that as at 31 March 2014, the Group has remaining 23 years to explore new crops to be cultivated in the estate, management was of the opinion that there was no indication that the carrying amount of agriculture operating rights may not be recoverable as at the balance sheet date, accordingly impairment assessment was not required.

Considering that it has been one year since the Group formalised the joint venture for Coffee Project, the Group has carried out impairment test for the agriculture operating rights based on value-in-use. Cash flow projections used in these calculations were based on financial budgets approved by management covering the remaining contractual period of the agriculture operating rights of 22 years. Key assumptions used for value-in-use calculations were as below:

	2015
Crop yield rate	1,250 kg/acre
Market price of crop	US$2,165/MT – US$2,361/MT
Growth rate[1]	1.85%
Discount rate[2]	20%

1 Growth rate used in the projections of future market price of crop

2 Pre-tax discount rate applied to the pre-tax cash flow projections

These assumptions were used for the analysis of the agriculture business segment. Management determined projected crop yield rate, market price of crop, related capital expenditure and operating costs based on past performance and its expectations of market developments. The growth rates used in the projections of future market price was consistent with forecasts included in industry report. The discount rate used was pre-tax and reflected specific risks relating to the agriculture business.

The impairment test has indicated that the recoverable amount of the agriculture operating rights is S$18,687,000 or 80% higher than its carrying amount. A further decrease in the market price of crop by 9.5% would result in the recoverable amount of the agriculture operating rights being equal to its carrying amount.

(b) Golf estate operating rights

	Group	
	2015	**2014**
	S$'000	**S$'000**
Cost		
Beginning of financial year	**–**	–
Additions	**16,204**	–
End of financial year	**16,204**	–
Accumulated amortisation		
Beginning of financial year	**–**	–
Amortisation charge	**72**	–
End of financial year	**72**	–
Net book value	**16,132**	–

Golf estate operating rights pertain to the 70% exclusive rights acquired from a related party to operate and manage the entire estate of Pun Hlaing Golf Estate including the golf course and the country club for a period of 37 years.

24. Intangible assets (continued)

(c) Air operator certificates

	Group	
	2015	**2014**
	S$'000	**S$'000**
Cost		
Beginning of financial year	**2,064**	–
Acquisition of subsidiaries [Note 40(c)]	**–**	2,064
End of financial year	**2,064**	2,064
Accumulated amortisation		
Beginning of financial year	**286**	–
Amortisation charge	**344**	286
End of financial year	**630**	286
Net book value	**1,434**	1,778

(d) Distributor license

	Group	
	2015	**2014**
	S$'000	**S$'000**
Cost		
Beginning of financial year	**–**	–
Acquisition of subsidiaries [Note 40(c)]	**4,325**	–
End of financial year	**4,325**	–
Accumulated amortisation		
Beginning of financial year	**–**	–
Amortisation charge	**71**	–
End of financial year	**71**	–
Net book value	**4,254**	–

(e) Amortisation expenses amounting to S$1,006,000 (2014: S$805,000) are included in the statement of comprehensive income under administrative expenses (Note 5).

25. Land development rights

	Group	
	2015	**2014**
	S$'000	**S$'000**
Beginning of financial year	**158,195**	179,026
Acquired during the financial year	**69,429**	–
Capitalisation of direct costs	**10,996**	–
Transferred from investment properties (Note 21)	**4,128**	–
Acquisition of subsidiaries [Note 40(c)]	**6,896**	–
Charged to profit or loss (Note 5)	**(20,530)**	(20,511)
Transferred to development properties	**(2,194)**	(320)
Currency translation differences	**267**	–
End of financial year	**227,187**	158,195
Less: Current portion	**(28,341)**	(9,318)
Non-current portion	**198,846**	148,877
Represented by:		
– Pun Hlaing Golf Estate (PHGE)	**113,870**	40,261
– FMI City (Orchid Garden)	**496**	496
– Evergreen Condominium	**7,019**	7,019
– Pun Hlaing International School	**10,758**	–
– Thanlyin Estate, Star City	**95,044**	110,419
	227,187	158,195

26. Biological assets

	Group	
	2015	**2014**
	S$'000	**S$'000**
Beginning of financial year	**–**	–
Additions	**427**	–
Write-off (Note 5)	**(217)**	–
Currency translation differences	**3**	–
End of financial year	**213**	–

Analysis of biological assets

At the end of the financial year, the Group's total planted area and related value of mature and immature plantation are as follows:-

	Group	
	2015	**2014**
Area	**Acres**	**Acres**
Planted area:		
– Immature	**350**	–

	Group	
	2015	**2014**
Value	**S$'000**	**S$'000**
Planted area:		
– Immature	**213**	–

26. Biological assets (continued)

Analysis of biological assets (continued)

Management has assessed that about 50% of biological assets planted have perished, therefore has written-off half of the costs incurred amounting to S$217,000 (Note 5). The assessment is based on the number of plants existing as at end of financial year as compared to total number of plants grown.

At the balance sheet date, management has determined that the fair value of biological assets to approximate the costs capitalised as the impact of biological transformation on price is not expected to be material considering that the plants are in the initial growth stage.

27. Trade and other payables

	Group		Company	
	2015	2014	2015	2014
	S$'000	S$'000	S$'000	S$'000
Trade payables – Non-related parties	**15,430**	10,826	**–**	–
Development properties – Due to customers (Note 14)	**1,369**	11,371	**–**	–
Non-trade payables – Subsidiaries	**–**	–	**7,577**	31,912
Accrued operating expenses	**14,300**	6,332	**2,175**	2,468
Other payables	**28,451**	10,829	**1,265**	432
	59,550	39,358	**11,017**	34,812

Non-trade payables to subsidiaries are unsecured, interest-free and are payable on demand.

Included in the Group's accrued operating expenses are accrued bonus and salaries amounting to S$3,002,000 (2014: S$2,786,000) and accrued marketing and commission amounting to S$1,046,000 (2014: S$943,000).

Included in the Group's other payables are progress billings received from customers on behalf of non-related customers amounting to S$13,807,000 (2014: S$9,064,000), tax expense charged by a non-related customer for sharing of profits of S$627,000 [Note 9(a)], and consideration payable and contingent consideration payable for the acquisition of Access Myanmar Distribution of S$7,843,000 (2014: Nil) and S$1,445,000 (2014: Nil) respectively (Note 18). The fair value of contingent consideration as at the acquisition date was estimated based on an income approach and was based on an estimated cumulative net profit of Access Myanmar Distribution ranging from S$3,219,000 to S$5,794,000 for the calendar year ended 31 December 2015. This is a Level 3 fair value measurement.

28. Borrowings

	Group		Company	
	2015	**2015**	**2015**	**2014**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Current				
Bank borrowings	**10,000**	–	**10,000**	–
Non-current				
Bank borrowings	**15,782**	14,327	**–**	–
Loans from non-controlling interests	**12,825**	8,523	**–**	–
	28,607	22,850	**–**	–
Total borrowings	**38,607**	22,850	**–**	–

The exposure of bank borrowings of the Group to interest rate changes and the contractual repricing dates at the balance sheet dates are as follows:

	Group		Company	
	2015	**2014**	**2015**	**2014**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Within one year	**10,000**	–	**10,000**	–
Between one to two years	**28,607**	8,523	**–**	–
Between two to five years	**–**	14,327	**–**	–
	38,607	22,850	**10,000**	–

(a) Bank borrowings of the Group are secured by an investment property (Note 21). Loans from non-controlling interests are made to certain subsidiaries based on the non-controlling interests' pro-rata shareholdings in the respective subsidiaries. The loans are unsecured, non-interest bearing and the settlements are not expected to occur within twelve months from the balance sheet date.

(b) The fair value of non-current bank borrowings of S$15,595,000 (2014: S$14,161,000) is determined from the cash flow analyses, discounted at market borrowing rate of an equivalent instrument at the balance sheet date of 5.00% (2014: 4.50%) which the directors expect to be available to the Group. The fair values of loans from non-controlling interests of S$12,213,000 (2014: S$8,155,000) are determined from the cash flow analyses, discounted at market borrowing rate of an equivalent instrument at the balance sheet date of 5.00% (2014: 4.50%). These fair values are within level 2 of the fair values hierarchy.

(c) During the financial year, part of the loans from non-controlling shareholders of S$6,587,000 (2014: Nil) were repaid by the Group as a result of the acquisition of the remaining 20% and 30% of the issued shares of YSH Finance and Myanmar Motor respectively (Note 19) accordingly the repayment of loans from non-controlling interests of S$6,587,000 is included within investing activities.

29. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Deferred income tax liabilities		
– To be settled within one year	**237**	86
– To be settled after one year	**1,635**	358
	1,872	444

The movement in deferred income tax liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Fair value of air operator certificates		
Beginning of financial year	**444**	–
Acquisition of subsidiaries [Note 40(c)]	**–**	516
Credited to profit or loss [Note 9(a)]	**(86)**	(72)
End of financial year	**358**	444
Fair value of distributor license		
Beginning of financial year	**–**	–
Acquisition of subsidiaries [Note 40(c)]	**1,539**	–
Credited to profit or loss [Note 9(a)]	**(25)**	–
End of financial year	**1,514**	–
	1,872	444

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of approximately S$4,618,000 (2014: S$2,712,000) which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements. The tax losses amounting to S$2,974,000 (2014: S$785,000) and S$366,000 (2014: S$546,000) have expiring date of three years and five years respectively from the year of assessment when the losses were incurred, while the remaining tax losses of S$1,278,000 (2014: S$1,381,000) have no expiry date. These tax losses are not recognised as it is not probable that future taxable profit will be available against which the subsidiaries can utilise the benefits.

30. Share capital

	Issued Share Capital	
	No. of ordinary shares	Amount
	'000	S$'000
Group and Company		
2015		
Beginning of financial year	**1,157,118**	**327,204**
Shares issued pursuant to:		
– Placement of shares (Note a)	**135,000**	**94,500**
– Exercise of share options (Note b)	**5,494**	**3,255**
– Rights issue (Note c)	**432,537**	**164,364**
	573,031	**262,119**
Share issue expenses	**–**	**(1,740)**
End of financial year	**1,730,149**	**587,583**
2014		
Beginning and end of financial year	1,157,118	327,204

(a) In July 2014, the Company issued 135,000,000 ordinary shares of S$0.70 per share pursuant to a placement for a total consideration of S$94,500,000 for cash to provide funds for the acquisition of the additional equity interests in subsidiaries and associated companies and land development rights.

(b) During the financial year, an aggregate of 4,995,000 and 499,000 new ordinary shares were issued at S$0.31 per share and S$0.53 per share respectively pursuant to the exercise of share options for total cash consideration of S$1,813,000. As a result, an amount of S$1,442,000 was transferred from share option reserve [Note 32(b)(i)] to share capital of the Company.

(c) In February 2015, the Company completed its rights issue through allotment and issuance of 432,537,405 ordinary shares of S$0.38 each for a total consideration of approximately S$164,364,000 for cash to provide funds for the acquisition of land development rights in Pun Hlaing Golf Estate ("PHGE"), the golf estate operating rights and new subsidiaries.

The newly issued shares rank *pari passu* in all respects with the previously issued shares.

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

31. Share options

Share options were granted to employees (including controlling shareholders and their associates), Executive Directors and Non-Executive Directors of the Group, who have contributed or will contribute to the success and development of the Group under the Yoma Strategic Holdings Employee Share Option Scheme 2012.

The exercise price of the options is determined at the average of last dealt prices of the Company's ordinary shares as quoted on the SGX-ST for five consecutive market days immediately preceding the date of grant (the "Market Price"), or at a discount to the Market Price (provided that the maximum discount shall not exceed 20%). The vesting of the options is conditional on the key management personnel or employee completing another two years of service to the Group.

Once they have vested, the options are exercisable over a period of up to ten years. The options may be exercised in full or in part in respect of 1,000 shares or a multiple thereof, on the payment of the exercise price. The persons to whom the options have been issued have no right to participate by virtue of the options in any share issue of any other company. The Group has no legal or construction obligation to repurchase or settle the options in cash.

31. Share options (continued)

2015 Options

(a) On 28 November 2014, options to subscribe for 4,300,000 ordinary shares in the Company at an exercise price of S$0.57 per ordinary shares were granted pursuant to the Scheme ("2015 Options – First Tranche"). The Options are exercisable from 29 November 2016 and expire on 27 November 2024.

(b) On 5 January 2015, options to subscribe for 300,000 ordinary shares in the Company at an exercise price of S$0.55 per ordinary shares were granted pursuant to the Scheme ("2015 Options – Second Tranche"). The Options are exercisable from 6 January 2017 and expire on 4 January 2025.

2014 Options

(a) On 1 April 2013, options to subscribe for 750,000 ordinary shares in the Company at an exercise price of S$0.63 per ordinary shares were granted pursuant to the Scheme ("2014 Options – First Tranche"). The Options are exercisable from 2 April 2015 and expire on 31 March 2023.

(b) On 1 May 2013, options to subscribe for 750,000 ordinary shares in the Company at an exercise price of S$0.65 per ordinary shares were granted pursuant to the Scheme ("2014 Options – Second Tranche"). The Options are exercisable from 2 May 2015 and expire on 30 April 2023.

(c) On 1 June 2013, options to subscribe for 1,000,000 ordinary shares in the Company at an exercise price of S$0.68 per ordinary shares were granted pursuant to the Scheme ("2014 Options – Third Tranche"). The Options are exercisable from 2 June 2015 and expire on 31 May 2023.

(d) On 30 July 2013, options to subscribe for 1,250,000 ordinary shares in the Company at an exercise price of S$0.72 per ordinary shares were granted pursuant to the Scheme ("2014 Options – Fourth Tranche"). The Options are exercisable from 31 July 2015 and expire on 29 July 2023.

Movements in the number of unissued ordinary shares under options and their exercise prices as follows:

	No. of ordinary shares under option							
	Beginning of financial year '000	Granted during financial year '000	Adjustment as a result of rights issue** '000	Forfeited during financial year '000	Exercised during financial year '000	End of financial year '000	Exercise price	Exercise period
Group and Company								
2015								
2013 Options								
– First Tranche	15,000	–	886	–	(4,995)	10,891	S$0.28*	3.7.2014 – 1.7.2022
– Second Tranche	1,500	–	121	(748)	(499)	374	S$0.48*	4.12.2014 – 2.12.2022
– Third Tranche	2,000	–	242	(2,242)	–	–	S$0.57*	21.3.2015 – 20.3.2023
	18,500	–	1,249	(2,990)	(5,494)	11,265		
2014 Options								
– First Tranche	750	–	91	–	–	841	S$0.57*	2.4.2015 – 31.3.2023
– Second Tranche	750	–	91	–	–	841	S$0.58*	2.5.2015 – 30.4.2023
– Third Tranche	1,000	–	121	–	–	1,121	S$0.61*	2.6.2015 – 31.5.2023
– Fourth Tranche	1,250	–	151	–	–	1,401	S$0.65*	31.7.2015 – 29.7.2023
	3,750	–	454	–	–	4,204		
2015 Options								
– First Tranche	–	4,300	157	–	–	4,457	S$0.51*	29.11.2016 – 27.11.2024
– Second Tranche	–	300	36	–	–	336	S$0.50*	6.1.2017 – 4.1.2025
	–	4,600	193	–	–	4,793		
	22,250	**4,600**	**1,896**	**(2,990)**	**(5,494)**	**20,262**		

31. Share options (continued)

	No. of ordinary shares under option						
	Beginning of financial year '000	Granted during financial year '000	Forfeited during financial year '000	Exercised during financial year '000	End of financial year '000	Exercise price	Exercise period
Group and Company							
2014							
2013 Options							
– First Tranche	15,000	–	–	–	15,000	S$0.31	3.7.2014 – 1.7.2022
– Second Tranche	1,500	–	–	–	1,500	S$0.53	4.12.2014 – 2.12.2022
– Third Tranche	2,000	–	–	–	2,000	S$0.63	21.3.2015 – 20.3.2023
	18,500	–	–	–	18,500		
2014 Options							
– First Tranche	–	750	–	–	750	S$0.63	2.4.2015 – 31.3.2023
– Second Tranche	–	750	–	–	750	S$0.65	2.5.2015 –30.4.2023
– Third Tranche	–	1,000	–	–	1,000	S$0.68	2.6.2015 – 31.5.2023
– Fourth Tranche	–	1,250	–	–	1,250	S$0.72	31.7.2015 – 29.7.2023
	–	3,750	–	–	3,750		
	18,500	**3,750**	**–**	**–**	**22,250**		

* Adjusted pursuant to the completion of the rights issue on 9 February 2015 in accordance with Rule 11.1 of the YSH ESOS 2012.

** On 9 February 2015, the Company allotted and issued 432,537,405 new ordinary shares at an issue price of S$0.38 for each share based on one rights share for every three existing shares held by shareholders of the Company as at 14 January 2015. As a result of the completion of the rights issue, the RC of the Company has determined that the adjustments are to be made to the outstanding shares option under the YSH ESOS 2012.

Out of the unexercised options for 20,262,000 (2014: 22,250,000) shares, none of the options (2014: Nil) are exercisable at the balance sheet date. Options exercised in 2014 resulted in 4,995,000 and 499,000 new ordinary shares (2014: Nil) being issued at the exercise prices of $0.31 and S$0.53 (2014: Nil) each respectively. The weighted average share price at the time of exercise was S$0.68 (2014: Nil) per share.

The fair value of options granted during the financial year, determined using the Black-Scholes-Merton model, was S$1,977,000 (2014: S$2,387,000). The significant inputs into the model were as follows:

	2015 Options	
	First Tranche	Second Tranche
Share price	0.71	0.68
Exercise price	S$0.57	S$0.55
Standard deviation [(1)]	98.69%	98.05%
Option life	10 years	10 years
Risk-free interest rate	2.18%	2.30%

31. Share options (continued)

	2014 Options			
	First Tranche	Second Tranche	Third Tranche	Fourth Tranche
Share price	S$0.76	S$0.81	S$0.85	S$0.87
Exercise price	S$0.63	S$0.65	S$0.68	S$0.72
Standard deviation [(1)]	78.54%	78.69%	78.16%	76.22%
Option life	10 years	10 years	10 years	10 years
Risk-free interest rate	1.54%	1.37%	1.79%	2.44%

The rights issue has resulted in modification of the outstanding options and the exercise prices of the outstanding options are adjusted accordingly. The modification has resulted in total incremental value for outstanding options of S$584,000 with S$131,000 being expensed-off to profit or loss during the financial year.

The significant inputs into the Black-Scholes-Merton model used to derive the incremental values were as follows:

	2015 Options	
	First Tranche	Second Tranche
Share price	0.53	0.53
Exercise price	S$0.51	S$0.50
Standard deviation [(1)]	97.42%	97.42%
Option life	9.8 years	9.9 years
Risk-free interest rate	1.96%	1.96%

	2014 Options			
	First Tranche	Second Tranche	Third Tranche	Fourth Tranche
Share price	S$0.53	S$0.53	S$0.53	S$0.53
Exercise price	S$0.57	S$0.58	S$0.61	S$0.65
Standard deviation [(1)]	98.34%	97.91%	97.49%	97.42%
Option life	8.1 years	8.2 years	8.3 years	8.5 years
Risk-free interest rate	1.96%	1.96%	1.96%	1.96%

	2013 Options		
	First Tranche	Second Tranche	Third Tranche
Share price	S$0.53	S$0.53	S$0.53
Exercise price	S$0.28	S$0.48	S$0.57
Standard deviation [(1)]	36.94%	100.02%	98.43%
Option life	2.4 years and 7.4 years	7.8 years	8.1 years
Risk-free interest rate	1.42% and 1.96%	1.96%	1.96%

[(1)] The volatility measured as the standard deviation of expected share price returns was estimated based on statistical analysis of share prices of the Company from the date of listing on the SGX-ST (24 August 2006) till the date of grant or modification.

32. Other reserves

	Group		Company	
	2015	**2014**	**2015**	**2014**
	S$'000	**S$'000**	**S$'000**	**S$'000**
(a) Compositions				
Share option reserve	**5,060**	5,204	**5,060**	5,204
Currency translation reserve	**4,080**	1,874	**–**	–
	9,140	7,078	**5,060**	5,204
(b) Movements				
(i) Share option reserve				
Beginning of financial year	**5,204**	1,467	**5,204**	1,467
Employee share options - value of employee services (Note 8)	**1,298**	3,737	**1,298**	3,737
Issuance of shares pursuant to exercise of options [Note 30(b)]	**(1,442)**	–	**(1,442)**	–
End of financial year	**5,060**	5,204	**5,060**	5,204
(ii) Currency translation reserve				
Beginning of financial year	**1,874**	2,151	**–**	–
Net currency translation differences of financial statements of foreign subsidiaries, joint ventures and associated companies	**2,059**	(272)	**–**	–
Add: Non-controlling interests	**147**	(5)	**–**	–
	2,206	(277)	**–**	–
End of financial year	**4,080**	1,874	**–**	–

Other reserves are non-distributable.

33. Retained profits/(accumulated losses)

(a) Retained profits of the Group are distributable except for accumulated retained profits of joint ventures and associated companyies amounting to S$1,046,000 (2014: Nil) and S$399,000 (2014: S$90,000) respectively.

(b) Movement in retained profits/(accumulated losses) of the Company is as follows:

	Company	
	2015	**2014**
	$'000	**S$'000**
Beginning of financial year	**(13,399)**	5,936
Net loss	**(5,183)**	(13,550)
Dividends paid (Note 34)	**–**	(5,785)
End of financial year	**(18,582)**	(13,399)

34. Dividends

	Group	
	2015	**2014**
	S$'000	**S$'000**
Ordinary dividends paid		
Final dividends paid with respect of the previous financial year of Nil (2014: S$0.50) per share (Note 33)	**–**	5,785

35. Commitments

(a) *Capital commitments*

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements, excluding those relating to investments in joint ventures and associated companies, are as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Acquisition of future business	**–**	9,818
Private equity investment fund	**2,493**	2,781
Property, plant and equipment	**1,026**	547
Investment properties	**1,208**	63
	4,727	13,209

(b) *Operating lease commitments - Where the Group is lessee*

The Group leases offices, apartment units and office equipment from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Not later than one year	**6,951**	651
Between one and five years	**205**	656
	7,156	1,307

(c) *Operating lease commitments - Where the Group is lessor*

The Group leases investment properties and motor vehicles under operating leases to non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as assets, are as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Not later than one year	**4,823**	113
Between one and five years	**2,169**	468
	6,992	581

36. Contingent liabilities

Group

In November 2012, the Group entered into a sale and purchase agreement with Serge Pun & Associates (Myanmar) Limited ("SPA" or the "Vendor") to acquire 80% of the issued and paid up share capital of Meeyatha International Hotel Limited ("MIHL") which holds the land development rights to a site situated at 372 Bogyoke Aung San Road, Pabedan Township, Yangon, Myanmar which is approximately 9.5 acres (the "Site 1"). The existing land development rights in relation to 380 Bogyoke Aung San Road, Pabedan Township, Yangon, Myanmar, being the land next to Site 1, which is approximately 0.5 acres (the "Site 2") held by Yangon Land Co. Ltd ("Yangon Land"), shall also be acquired by the Group. The acquisition price for the proposed acquisition of both sites is US$81.28 million (approximately S$99.16 million based on exchange rate agreed by both parties) which will be funded by a proposed rights issue.

In June 2014, the Group agreed with SPA to vary the terms of the proposed acquisition of MIHL which was approved by the shareholders at the Extraordinary General Meeting held in January 2015. The variations included segregating the consideration into two parts, namely, a first payment of US$43.20 million (approximately S$54.00 million) payable in cash using part of the net proceeds of the proposed rights issue upon the satisfaction of the revised conditions precedent agreed by both parties and the balance payment of US$36.08 million (approximately S$45.16 million) to be made as and when the terms of the extension of the leases of 70 years are finalised by the authorities.

In February 2015, the Group acquired control of MIHL which holds the leasehold rights to Site 1 with remaining lease term of approximately 24 years (assuming the ten years extension is granted) and with the leasehold rights to Site 2, with remaining lease term of approximately 26 years (assuming three extensions of five years each are granted) assigned by Yangon Land to MIHL for S$54.00 million (Note 40).

While the Vendor and the Group are confident that the extension of the leases of 70 years would be approved by the authorities, there is no certainty as to when the approval will be obtained, therefore it is not practicable to state the timing of the balance payment. Management is of the view that it is possible, but not probable, that the extension will be approved, accordingly no provision for the balance payment of S$45.16 million has been made in these financial statements.

Company

The Company has provided letters of financial support for some of its subsidiaries to enable these subsidiaries to operate as going concern and to meet their liabilities as and when they fall due. No liabilities are recognised in the balance sheet of the Company as it is considered unlikely that there will be significant outflows of resources made by the Company as a result of the financial support provided by the Company.

37. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Directors of the Company reviewed and adopted the policies for managing each of these risks and they are summarised below.

(a) Market risk

(i) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has interest-bearing assets and liabilities, the Group's income and expense are dependent of changes in market interest rates. The Group's exposure to cash flow interest rate risk arises mainly from non-current variable-rate borrowings. The Company's exposure to cash flow interest rate risk is minimised as the Group aims to obtain the most favourable interest rates available in the market.

The Group's interest-bearing assets pertain to short-term fixed deposits placed with reputable financial institutions in Singapore and loan to a non-related customer at fixed rates. Management has assessed that any change in the interest rate would not have significant impact to the Group's income due to the short-term maturity of the fixed deposits and loan receivable.

37. Financial risk management (continued)

(a) Market risk (continued)

(i) Cash flow and fair value interest rate risks (continued)

The Group's borrowings at variable rate on which hedges have not been entered into are denominated in United States Dollar ("USD") and Singapore Dollar ("SGD"). If the USD and SGD interest rates had increased/decreased by 0.5% (2014: 0.5%) with all other variables including tax rate being held constant, the profit after tax would have been lower/higher by S$129,000 (2014: S$72,000).

(ii) Currency risk

The Group operates mainly in Myanmar and People's Republic of China. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies"). Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as Singapore Dollar ("SGD"), Myanmar Kyats ("Kyats"), United States Dollar ("USD") and Chinese Renminbi ("RMB"). In addition, the Group is exposed to currency translation risk on the net assets of the Group's foreign operations in Myanmar, British Virgin Island and People's Republic of China.

The Group manages currency risks, when it is considered significant, by entering into appropriate currency forward contracts. At balance sheet date, the Group had not entered into any currency forward contracts.

The Group's currency exposure based on the information provided to key management is as follows:

Group	SGD S$'000	Kyats S$'000	USD S$'000	RMB S$'000	Other S$'000	Total S$'000
2015						
Financial assets						
Cash and cash equivalents	1,608	6,675	10,007	1,697	38	20,025
Trade and other receivables	1,404	36,852	67,739	193	4	106,192
Available-for-sale financial assets	–	472	3,907	–	–	4,379
Call option to acquire land	–	–	13,161	–	–	13,161
Intercompany receivables	408,528	43,930	220,679	1,581	2,397	677,115
Other financial assets	104	8,846	301	–	–	9,251
	411,644	96,775	315,794	3,471	2,439	830,123
Financial liabilities						
Trade and other payables	3,693	30,206	20,908	956	2,418	58,181
Borrowings	17,312	1,143	20,152	–	–	38,607
Intercompany payables	408,528	43,930	220,679	1,581	2,397	677,115
	429,533	75,279	261,739	2,537	4,815	773,903
Net financial (liabilities)/assets	(17,889)	21,496	54,055	934	(2,376)	56,220
Add: Non-financial assets	173,755	290,986	111,313	99,917	–	675,971
Currency profile including non-financial assets and liabilities	155,866	312,482	165,368	100,851	(2,376)	732,191
Currency exposure of financial assets/(liabilities) net of those denominated in the respective entities' functional currencies	**–**	**28,998**	**52,483**	**1,869**	**(2,376)**	**80,974**

37. Financial risk management (continued)

(a) Market risk (continued)

(ii) Currency risk (continued)

Group	SGD S$'000	Kyats S$'000	USD S$'000	RMB S$'000	Other S$'000	Total S$'000
2014						
Financial assets						
Cash and cash equivalents	5,794	6,335	2,810	1,753	49	16,741
Trade and other receivables	6,046	50,792	29,165	71	–	86,074
Available-for-sale financial assets	–	–	8,442	–	–	8,442
Call option to acquire land	–	–	13,161	–	–	13,161
Intercompany receivables	128,503	67,277	52,594	–	1,860	250,234
Other financial assets	111	480	22	–	–	613
	140,454	124,884	106,194	1,824	1,909	375,265
Financial liabilities						
Trade and other payables	2,869	22,061	1,879	1,167	11	27,987
Borrowings	–	-	22,850	–	–	22,850
Intercompany payables	128,503	67,277	52,594	–	1,860	250,234
	131,372	89,338	77,323	1,167	1,871	301,071
Net financial assets	9,082	35,546	28,871	657	38	74,194
Add: Non-financial assets	74,051	159,702	19,503	90,588	–	343,844
Currency profile including non-financial assets and liabilities	83,133	195,248	48,374	91,245	38	418,038
Currency exposure of financial assets net of those denominated in the respective entities' functional currencies	**–**	**47,303**	**37,484**	**770**	**38**	**85,595**

37. Financial risk management (continued)

(a) Market risk (continued)

(ii) Currency risk (continued)

If the Kyats, USD and RMB change against SGD by 3%, 9% and 10% (2014: 8%, 1% and 1%) respectively, with all other variables, including tax rate being held constant, the effects arising from the net financial position will be as follows:

	Increase/(decrease) in net profit	
	Group	
	2015	2014
	S$'000	S$'000
Kyats against SGD		
– strengthened	**870**	3,784
– weakened	**(870)**	(3,784)
USD against SGD		
– strengthened	**4,723**	375
– weakened	**(4,723)**	(375)
RMB against SGD		
– strengthened	**187**	8
– weakened	**(187)**	(8)

The Company's currency exposure based on the information provided to key management is as follows:

Company	SGD S$'000	Kyats S$'000	USD S$'000	Other S$'000	Total S$'000
2015					
Financial assets					
Cash and cash equivalents	757	746	4,155	–	5,658
Trade and other receivables	281,171	–	111,613	1,258	394,042
Other financial assets	150	–	–	–	150
	282,078	746	115,768	1,258	399,850
Financial liabilities					
Borrowings	10,000	–	–	–	10,000
Trade and other payables	3,663	1,488	5,866	–	11,017
	13,663	1,488	5,866	–	21,017
Net financial assets/(liabilities)	268,415	(742)	109,902	1,258	378,833
Add: Non-financial assets	195,228	–	–	–	195,228
Currency profile including non-financial assets and liabilities	463,643	(742)	109,902	1,258	574,061
Currency exposure of financial (liabilities)/assets net of those denominated in the Company's functional currency	**–**	**(742)**	**109,902**	**1,258**	**110,418**

37. Financial risk management (continued)

(a) Market risk (continued)

(ii) Currency risk (continued)

Company	SGD S$'000	Kyats S$'000	USD S$'000	Other S$'000	Total S$'000
2014					
Financial assets					
Cash and cash equivalents	4,198	428	148	–	4,774
Trade and other receivables	97,181	19,809	28,252	1,142	146,384
Other financial assets	143	–	–	–	143
	101,522	20,237	28,400	1,142	151,301
Financial liabilities					
Trade and other payables	3,665	28,880	2,267	–	34,812
Net financial assets/ (liabilities)	97,857	(8,643)	26,133	1,142	116,489
Add: Non-financial assets	202,520	–	–	–	202,520
Currency profile including non-financial assets and liabilities	300,377	(8,643)	26,133	1,142	319,009
Currency exposure of financial (liabilities)/assets net of those denominated in the Company's functional currency	**–**	**(8,643)**	**26,133**	**1,142**	**18,632**

If the Kyats and USD change against SGD by 3% and 9% (2014: 8% and 1%) respectively, with all other variables, including tax rate being held constant, the effects arising from the net financial position will be as follows:

	Increase/(decrease) in net profit Company 2015 S$'000	Increase/(decrease) in net profit Company 2014 S$'000
Kyats against SGD		
– strengthened	**(22)**	(691)
– weakened	**22**	691
USD against SGD		
– strengthened	**9,891**	261
– weakened	**(9,891)**	(261)

37. Financial risk management (continued)

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and trade receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparts.

As the Group and Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet.

The trade receivables of the Group comprise of two debtors (2014: three debtors) that individually represents more than 20% (2014:15%) of total trade receivables.

The credit risk for trade receivables based on the information provided to key management is as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
By geographical areas		
People's Republic of China	**93**	59
Myanmar	**64,170**	50,531
	64,263	50,590
By types of customers		
Entities related by common controlling shareholder	**–**	320
Non-related parties		
– Individuals	**22,543**	7,763
– Other companies	**41,720**	42,507
	64,263	50,590

(i) *Financial assets that are neither past due nor impaired*

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

(ii) *Financial assets that are past due and/or impaired*

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Past due less than 3 months	**5,225**	4,275
Past due 3 to 6 months	**1,222**	723
Past due over 6 months	**4,175**	1,639
	10,622	6,637

37. Financial risk management (continued)

(b) Credit risk (continued)

(ii) Financial assets that are past due and/or impaired (continued)

The carrying amount of trade receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Past due over 6 months	–	–
Less: Allowance for impairment	–	–
	–	–
Beginning of financial year	–	206
Allowance utilised	–	(111)
Write back of allowance (Note 5)	–	(95)
End of financial year	–	–

The impaired trade receivables mainly arise from sales to individuals who have failed to pay the instalment payments.

(c) Liquidity risk_

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risks by monitoring its liquidity position through periodic preparation of cash flows and cash balances forecasts and periodic evaluation of the ability of the Group to meet its financial obligations, measured by the gearing ratio.

The table below analyses the non-derivative financial liabilities of the Group and the Company in their relevant maturity groupings based on the length of remaining period from the balance sheet date to the contracted maturity date. The amounts disclosed in the table are the contracted undiscounted cash flows. Balances due within 12 months are presented at their carrying amounts as the impact of discounting is not significant.

	Group			Company
	Less than 1 year	**Between 1 to 2 years**	**Between 2 to 5 years**	**Less than 1 year**
	S$'000	**S$'000**	**S$'000**	**S$'000**
2015				
Trade and other payables	58,181	–	–	11,017
Borrowings	10,723	12,825	15,960	10,450
	68,904	**12,825**	**15,960**	**21,467**
2014				
Trade and other payables	27,987	–	–	34,812
Borrowings	651	8,523	15,141	–
	28,638	8,523	15,141	34,812

37. Financial risk management (continued)

(d) Capital risk

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders and seeks to maintain a balance between the higher returns that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position.

Management monitors capital based on a gearing ratio. The Group and the Company are not required by the banks to maintain certain gearing ratio. The Group's and the Company's strategies which remain unchanged during the financial years ended 31 March 2015 and 31 March 2014, are to maintain a gearing ratio not exceeding 40%.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings (excluding loans from non-controlling interests) plus trade and other payables less cash and cash equivalents. Total capital is calculated as net assets attributable to equity holders of the Company ("total equity") plus net debt.

	Group		Company	
	2015	**2014**	**2015**	**2014**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Net debt	**65,307**	36,944	**15,359**	30,038
Total equity	**661,823**	371,532	**574,061**	319,009
Total capital	**727,130**	408,476	**589,420**	349,047
Gearing ratio	**8.98%**	9.04%	**2.61%**	8.61%

(e) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirely is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirely. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs to the fair value measurement in its entirely requires judgement, considering factors specific to the asset or liability.

	Level 1	**Level 2**	**Level 3**	**Total**
Group	**S$'000**	**S$'000**	**S$'000**	**S$'000**
2015				
Asset				
Call option to acquire land	–	–	13,161	13,161
2014				
Asset				
Call option to acquire land	–	–	13,161	13,161

Investments classified within level 3 have significant unobservable inputs as they trade infrequently. Level 3 instruments include private equity funds and private equities. As observable prices are not available for these securities, management has used valuation techniques to derive the fair value. The quantitative inputs and assumptions used for items categorised in Level 3 of the fair value hierarchy as of 31 March 2015 and 2014 are disclosed in Note 20.

See Note 21 for disclosures of the investment properties that are measured at fair value.

37. Financial risk management (continued)

(f) Fair value measurements by category

The carrying amounts of the different categories of financial instruments are as disclosed on the face of the balance sheet and in Note 16 and Note 20 to the financial statements, except for the following:

	Group		Company	
	2015	**2014**	**2015**	**2014**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Loans and receivables	**135,468**	103,428	**399,850**	151,301
Financial liabilities at amortised cost	**96,788**	50,837	**21,017**	34,812

38. Related party transactions

(a) In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties on terms agreed between the parties:

	Group	
	2015	**2014**
	S$'000	**S$'000**
With entities related by common shareholders		
Sales	**1,128**	768
Purchases	**5,926**	4,874
Treasury transactions *	**409**	307
Prepayments for supply of crops	**1,163**	1,348
Deposit for acquisition of land development rights	**–**	3,042
Advance payment for pre-development costs	**–**	7,000
Investment in private equity investment fund	**1,158**	3,619
Land development rights transactions #	**2,303**	9,521
Acquisition of golf estate operating rights	**16,204**	–
Acquisition of land development rights	**69,429**	–
With other related party		
Professional fee paid/payable	**198**	125

* Treasury transactions refers to cash deposits placed with a related party which is an entity controlled by a director who is also the majority shareholder.

Land development rights transactions comprise the receipt of the sale proceeds of land development rights on behalf of the Group by entities related by common shareholders and payment of marketing commission by the Group to entities related by common shareholders.

Other related party refers to a firm of which the director is a member.

Outstanding balances at 31 March 2015, arising from sale/purchase of goods and services, are unsecured and receivable/payable within 12 months from balance sheet date and are disclosed in Note 12 and Note 27 respectively.

38. Related party transactions (continued)

(b) Key management personnel compensation

	Group	
	2015	**2014**
	S$'000	**S$'000**
Wages and salaries	**7,552**	6,357
Directors' fees	**282**	282
Share option expenses	**1,249**	3,737
Other short-term benefits	**580**	515
Employer's contribution to defined contribution plans, including CPF	**37**	30
	9,700	10,921

Included in the above is total compensation to directors of the Company amounting to S$4,035,000 (2014: S$4,552,000).

39. Segment information

Management has determined the operating segments based on the reports reviewed by the Key Management team that are used to make strategic decisions. The Key Management team comprises the CEO, the Executive Chairman and the heads of each business within each primary geographical segment that are used to make strategic decisions.

The Key Management team considers the business from both a geographic and business segment respective. Geographically, management manages and monitors the business in three primary geographic areas: Singapore, Myanmar and People's Republic of China ("PRC"). The Group's operations in Myanmar derive revenue from all business segments, whereas its operations in PRC derive revenue solely from rental of properties. The corporate segment relates to corporate services, treasury functions investment holdings in Singapore.

As the Group continues expanding its business, the Group has ventured into new business segments, through acquisition of new subsidiaries and franchising. In the financial year ended 31 March 2015, the Group incorporated a new wholly-owned subsidiary, Summit Brands Restaurant Group Company Limited in connection with its quick service restaurant related business, i.e. food & beverages business segment.

In the financial year ended 31 March 2014, the Group added a new business segment, i.e. tourism services subsequent to the completion of the acquisition of Shwe Lay Ta Gun Travels and Tours Company Limited and its subsidiary, Eastern Safaris Pte. Ltd., which own and operate the "Balloons Over Bagan" business in Bagan, 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) The real estate activities is in the business of constructing, developing, marketing and leasing out of residential and commercial properties in Myanmar. This reportable segment has been formed by aggregating the property construction/ development operating segment and the investment properties marketing operating segment, which are regarded by arrangement to exhibit similar economic characteristic.
(ii) The agriculture activities is in the business of cultivation and management of plantation estate as well as related services.
(iii) The construction-related services is in the business of providing design and project management services.
(iv) The automotive services is in a supplier and leasing of motor vehicles and automotive equipment, including maintenance services. This reportable segment has been formed by aggregating the sale of related products and provision of maintenance services of related products operating segments, which are regarded by management to exhibit similar economic characteristics.
(v) The food & beverages is in the business of operating of quick service restaurants related business.
(vi) The tourism services is involved in the operation of hot air balloons business and related travelling services.
(vii) The rental of properties relates to the rental of shopping centre and retail stores in PRC.
(viii) The corporate segment is involved in Group level corporate services, treasury functions and investments in financial and non-financial assets.

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

39. Segment information (continued)

The segment information provided to the Key Management team for the reportable segments and reconciliation to consolidated financial statements are as follows:

	Myanmar						PRC	Singapore	
Group	**Real estate activities**	**Agricultural activities**	**Construction related services**	**Automotive services**	**Food & beverages**	**Tourism services**	**Rental of properties**	**Corporate**	**Total**
2015	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Revenue									
Total segment sales	109,482	–	4,704	8,917	–	7,802	1,580	–	132,485
Less: Inter-segment sales	(19,757)	–	(1,716)	(85)	–	–	–	–	(21,558)
Sales to external parties	89,725	–	2,988	8,832	–	7,802	1,580	–	110,927
Segment results	56,830	(7,919)	(1,709)	1,947	(347)	1,775	(2,292)	–	48,285
Other income - net									12,441
Administrative expenses									(15,969)
Finance expenses									(1,244)
Share of profits of joint ventures									25
Share of losses of associated companies									(314)
Profit before income tax									43,224
Income tax expense									(3,909)
Net profit									39,315
Net profit includes:									
– Depreciation of property, plant and equipment	(639)	(3)	(192)	(639)	–	(341)	(18)	(210)	(2,042)
– Amortisation of intangible assets	(72)	(519)	–	(71)	–	(344)	–	–	(1,006)
– Write off of biological assets	–	(217)	–	–	–	–	–	–	(217)
– Bargain purchase	1,223	–	–	1,413	–	–	–	–	2,636
– Share option expenses	–	–	–	–	–	–	–	(1,298)	(1,298)
– Fair value gain on investment properties	22,789	–	–	–	–	–	–	–	22,789
– Fair value loss on prepayments	–	(6,524)	–	–	–	–	–	–	(6,524)

39. Segment information (continued)

	Myanmar						PRC	Singapore	
Group	**Real estate activities**	**Agricultural activities**	**Construction related services**	**Automotive services**	**Food & beverages**	**Tourism services**	**Rental of properties**	**Corporate**	**Total**
2015	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Segment assets	564,658	19,395	5,444	34,851	1,496	21,340	101,798	85,118	834,100
Segment assets includes:									
Additions to:									
– Investment properties	19,754	–	–	–	–	–	–	–	19,754
– Properties, plant and equipment	5,350	468	331	6,402	3	1,278	–	155	13,987
– Land development rights	84,553	–	–	–	–	–	–	–	84,553
– Intangible assets	16,204	–	–	4,325	–	–	–	–	20,529
– Prepayments	–	1,163	–	–	–	–	–	–	1,163
– Available-for-sales financial assets	–	–	–	–	–	–	–	1,158	1,158
– Investments in joint ventures	–	–	–	–	–	–	–	3,540	3,540
– Investment in associated companies	–	–	–	–	–	–	–	41,559	41,559
– Biological assets	–	427	–	–	–	–	–	–	427
Segment liabilities	56,019	345	787	7,058	33	2,186	16,737	18,744	101,909

39. Segment information (continued)

Group 2014	Myanmar Real estate activities S$'000	Myanmar Agricultural activities S$'000	Myanmar Construction related services S$'000	Myanmar Automotive services S$'000	Myanmar Tourism services S$'000	PRC Rental of properties S$'000	Singapore Corporate S$'000	Total S$'000
Revenue								
Total segment sales	90,962	–	3,136	698	5,298	1,377	–	101,471
Less: Inter-segment sales	–	–	(978)	–	–	–	–	(978)
Sales to external parties	90,962	–	2,158	698	5,298	1,377	–	100,493
Segment results	41,774	(987)	(1,524)	(879)	2,670	(714)	–	40,340
Other income - net								652
Administrative expenses								(14,788)
Finance expenses								(608)
Share of losses of joint ventures								(56)
Profit before income tax								25,540
Income tax expense								(1,606)
Net profit								23,934
Net profit includes:								
– Depreciation of property, plant and equipment	(358)	–	(172)	(95)	(166)	(19)	(132)	(942)
– Amortisation of intangible assets	–	(519)	–	–	(286)	–	–	(805)
– Bargain purchase	–	–	–	–	995	–	–	995
– Share option expenses	–	–	–	–	–	–	(3,737)	(3,737)

39. Segment information (continued)

	Myanmar					PRC	Singapore	
Group	Real estate activities	Agricultural activities	Construction related services	Automotive services	Tourism services	Rental of properties	Corporate	Total
2014	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Segment assets	294,677	24,534	3,321	2,498	18,516	92,742	46,988	483,276
Segment assets includes:								
Additions to:								
– Investment properties	8,570	-	-	-	683	-	-	9,253
– Properties, plant and equipment	678	-	404	418	1,209	3	681	3,393
– Prepayments	-	1,348	-	-	-	-	-	1,348
– Intangible assets	-	-	-	-	2,064	-	-	2,064
– Available-for-sales financial assets	-	-	-	-	-	-	8,442	8,442
– Advance payment for future business acquisition	-	-	-	-	-	-	4,227	4,227
– Deposit for land	-	-	-	-	-	-	10,688	10,688
– Call option to acquire land	-	-	-	-	-	-	13,161	13,161
Segment liabilities	33,876	22	1,386	80	2,302	15,481	12,091	65,238

The revenue from external parties reported to the Key Management team is measured in a manner consistent with that in the statement of comprehensive income.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with non-related parties.

The Key Management team assesses the performance of the operating segments based on segment results which represent the profit earned by each segment including allocation of administrative expenses and specific other income. Other income-net (other than specific other income), finance expense, income tax expense and share of profit/(losses) of joint ventures and associated companies are not allocated to segments.

39. Segment information (continued)

(a) Geographical information

The Group's eight (2014: seven) business segments operate in three main geographical areas: Singapore, Myanmar and People's Republic of China.

- Singapore – the Company is headquartered and has operations in Singapore. The operations in this area are principally corporate services, treasury functions and investment holdings.
- Myanmar – the operations in this area are principally the sale of land development rights and development properties, rental of properties ("real estate activities"), construction-related services, automotive services, agricultural activities, food & beverages and tourism services.
- People's Republic of China – the operations in this area are principally rental of properties.

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

	Revenue	
	2015	**2014**
	S$'000	**S$'000**
Myanmar	**109,347**	99,116
People's Republic of China	**1,580**	1,377
	110,927	100,493

	Non-current assets	
	2015	**2014**
	S$'000	**S$'000**
Singapore	**62,319**	9,774
Myanmar	**329,373**	206,750
People's Republic of China	**99,888**	90,564
	491,580	307,088

Revenue of S$27,264,000 (2014: S$41,752,000) are derived from one (2014: one) external customers. These revenues are attributable to Myanmar real estate activities segment.

(b) Revenue from major products and services

Revenues from external customers are derived mainly from the sale of land development rights, development properties and automotive service products, provision of project management and design and hot air balloon services and leasing of motor vehicles and properties. No revenue is generated from investment holdings included in corporate segment. Breakdown of the revenue is as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Land development rights	**27,828**	45,824
Development properties	**58,663**	45,138
Automotive service products	**7,854**	698
Project management and design	**2,988**	2,158
Hot air balloon	**7,802**	5,298
Leasing of motor vehicles	**978**	–
Leasing of properties	**4,814**	1,377
	110,927	100,493

40. Business Combinations

<u>2015</u>

(i) On 2 February 2015, the Company through its wholly-owned subsidiary, Myanmar Motors Pte. Ltd., acquired 100% interest in Convenience Prosperity Company Limited (“CPCL”) for cash consideration of S$14,781,000. The principal activity of CPCL is that of trading of New Holland tractors and farm equipment in Myanmar. The acquisition of CPCL will offer significant synergies to the Group’s existing businesses including the agriculture and motor vehicle leasing business.

(ii) On 2 February 2015, the Company through its wholly-owned subsidiary, Yoma Strategic Investments Ltd., acquired 80% interest in Meeyahta International Hotel Limited (“MIHL”) for a cash consideration of S$54,000,000.

MIHL holds the rights to the economic benefits of the land development rights for a 10-acre, mixed-use development project in the Pabedan township in Yangon, which includes the heritage Burma Railway Company building. The acquisition of MIHL allowed the Group to develop the 10-acre sites into two office towers, a business hotel and a serviced apartment building, a branded residential building, a retail podium, car park, public spaces and underlying infrastructure through demolition of the Grand Mee Ya Hta Executive Residences building and the FMI Centre building currently on the sites (“Landmark Development”).

(iii) On 2 February 2015, the Company through its wholly-owned subsidiary, Yoma Strategic Investments Ltd., acquired 100% interest in Yangon Sands Industries Limited (“YSI”) for a cash consideration of S$6,367,000. Following the acquisition, it is expected that the land development rights of approximately 12 acres will be developed into an international school.

(iv) On 2 February 2015, the Company through its wholly-owned subsidiary, Yoma Strategic Investments Ltd., acquired 100% interest in Pun Hlaing Lodge Limited (“PHL”) for a cash consideration of S$6,822,000. PHL holds 100% interest in the land development rights in respect of the Pun Hlaing Lodge Land. Following the acquisition, it is expected that the sites will be developed into a boutique hotel.

As at 31 March 2015, the Group completed the Purchase Price Allocation to fair value the identifiable assets acquired and liabilities and contingent liabilities assumed from the acquisition of CPCL, MIHL, PHL and YSI.

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interests recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:-

		CPCL	MIHL	YSI	PHL	Total
		S$’000	**S$’000**	**S$’000**	**S$’000**	**S$’000**
(a)	*Purchase consideration*					
	Considerations transferred for the businesses, represent total cash paid	**14,781**	**54,000**	**6,367**	**6,822**	**81,970**
(b)	*Effect on cash flows of the Group*					
	Total cash paid (as above)	14,781	54,000	6,367	6,822	81,970
	Less: cash paid in prior financial year as deposit for acquisition of land (Note 15)	–	–	–	(3,020)	(3,020)
	Less: Cash and cash equivalents in subsidiary acquired	(526)	(91)	–	–	(617)
	Cash outflows on acquisitions	**14,255**	**53,909**	**6,367**	**3,802**	**78,333**

40. Business Combinations (continued)

		CPCL At fair value S$'000	MIHL At fair value S$'000	YSI At fair value S$'000	PHL At fair value S$'000	Total At fair value S$'000
(c)	*Identifiable assets acquired and liabilities assumed*					
	Cash and cash equivalents	526	91	–	–	617
	Trade and other receivables (Note (e) below)	6,246	471	–	284	7,001
	Property, plant and equipment (Note 23)	646	454	–	–	1,100
	Inventories (Note (g) below)	13,476	20	–	–	13,496
	Land development rights (Note 25)	–	–	6,896	–	6,896
	Distributor license (included in intangible assets (Note 24(d) and (Note (f) below)	4,325	–	–	–	4,325
	Development properties	–	91,805	–	13,254	105,059
	Total assets	25,219	92,841	6,896	13,538	138,493
	Trade and other payables	(7,197)	(25,244)	–	(6,085)	(38,526)
	Current income tax liabilities [Note 9(b)]	(289)	(18)	–	–	(307)
	Deferred income tax liabilities (Note 29)	(1,539)	–	–	–	(1,539)
	Total liabilities	(9,025)	(25,262)	–	(6,085)	(40,372)
	Total identifiable net assets	**16,194**	**67,579**	**6,896**	**7,453**	**98,122**
	Less: Non-controlling interests	–	(13,516)	–	–	(13,516)
	Less: Bargain purchase (Note 6)	(1,413)	(63)	(529)	(631)	(2,636)
	Considerations transferred for the businesses	**14,781**	**54,000**	**6,367**	**6,822**	**81,970**

(d) *Acquisition-related costs*

No significant acquisition-related costs arose from the acquisition of CPCL, MIHL, YSI and PHL as the acquisitions are handled by the Group's legal department and risk management department. The related staff costs are included within administrative expenses in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

(e) *Acquired receivables*

The fair values of trade and other receivables are S$6,244,000, S$471,000 and S$284,000 for CPCL, MIHL and PHL respectively, represent gross contractual amounts receivable. Other than fair values of trade receivables of S$5,491,000 for CPCL, the remaining fair values represents fair values of other receivables. None of the trade and other receivables is expected to be uncollected at the acquisition date.

(f) *Distributor license*

Distributor license relates to an Import and Distributor Agreement entered with CNHI International SA ("CNHI") whereby CPCL is licensed to market and sell the agricultural tractors licensed by CNHI under the brand of New Holland Agriculture. The fair value of distributor license acquired in a business combination is determined using the multi-period excess earnings method whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows.

(g) *Inventories*

The fair value of inventories of CPCL comprising tractors, implements and spare parts, is determined based on the estimated selling price in the ordinary course of the business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

40. Business Combinations (continued)

(h) Non-controlling interests

The Group has chosen to recognise the 20% non-controlling interests arise from acquisitions of MIHL based on their proportionate interest in the recognised amounts of assets and liabilities.

(j) Bargain purchase

Total bargain purchase of S$2,635,000 arising from the acquisition of CPCL, MIHL, YSI and PHL, represent the excess of the fair value of the net identifiable assets in CPCL, MIHL, YSI and PHL over the consideration transferred and has been recognised in profit or loss under "Other income – net" (Note 6).

(k) Revenue and profit/(loss) contribution

Revenue and net profit/(loss) contributed by CPCL, MIHL, YSI and PHL to the Group from the acquisition date to 31 March 2015 are as follows:

	CPCL S$,000	MIHL S$'000	YSI S$'000	PHL S$'000
Revenue	7,482	–	–	–
Net profit/(loss)	633	(594)	(1)	(6)

Had CPCL, MIHL, YSI and PHL been consolidated from 1 April 2014, consolidated revenue and profit for the financial year ended 31 March 2015 would have been S$130,527,000 and S$34,817,000 respectively.

<u>2014</u>

(i) On 10 April 2013, the Company through its 70% owned subsidiary, Myanmar Motor Pte. Ltd., acquired 100% interest in German Car Industries Company Limited ("GCI"). The principal activity of GCI is that of provision of after sales service for motor vehicles, for a cash consideration of (S$869,000). The acquisition of GCI marked the Group's first step into the passenger vehicle servicing business. Incorporated in 1996, GCI is the premier service centre for European automobiles in Yangon. As a result of the acquisition of GCI, the Group is expected to develop a strong automotive business to better serve the consumers in Myanmar.

(ii) On 1 June 2013, the Company through its 70% owned subsidiary, Chindwin Holdings Pte. Ltd., acquired 75% interest in Shwe Lay Ta Gun Travels and Tours Company Limited ("SLTG") and its subsidiary, Eastern Safaris Pte. Ltd. ("ESPL") for a cash consideration of S$13,465,000 and S$126,000 respectively.

The principal activity of SLTG is that of provision of tourism business through the operation of hot air balloon business in Bagan, Myanmar and the principal activity of ESPL is that of provision of exclusive and luxurious adventure travelling services in Myanmar and Bhutan. The acquisition of SLTG and ESPL allowed the Group to capitalise on the huge opportunities present in the luxury tourism business. The Group was also granted a 5-year call option over 75% interest in 21.16 acres of Bagan Land, which the Group intends to develop into a high-end boutique hotel (Note 20).

As at 31 March 2014, the Group completed the Purchase Price Allocation to fair value the identifiable assets acquired and liabilities and contingent liabilities assumed from the acquisition of GCI, SLTG and ESPL.

40. Business Combinations (continued)

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interests recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:-

		GCI S$'000	SLTG S$'000	ESPL S$'000	Total S$'000
(a)	*Purchase consideration*				
	Cash paid	869	10,822	126	11,817
	Contingent cash consideration (Note (f) below)	–	2,643	–	2,643
	Considerations transferred for the businesses, represent total cash paid	**869**	**13,465**	**126**	**14,460**
(b)	*Effect on cash flows of the Group*				
	Total cash paid (as above)	869	13,465	126	14,460
	Less: Cash and cash equivalents in subsidiary acquired	(73)	(503)	–	(576)
	Cash outflows on acquisitions	**796**	**12,962**	**126**	**13,884**
(c)	*Identifiable assets acquired and liabilities assumed*				
	Cash and cash equivalents	73	503	–	576
	Trade and other receivables (Note (e) below)	381	1,234	186	1,801
	Property, plant and equipment (Note 23)	313	477	–	790
	Inventories	176	–	–	176
	Call option to acquire land (Note 20)	–	13,161	–	13,161
	Air operator certificates (included in intangible assets (Note 24(c) and Note (g) below)	–	2,064	–	2,064
	Total assets	943	17,439	186	18,568
	Trade and other payables	(23)	(1,827)	(6)	(1,856)
	Current income tax liabilities [Note 9(b)]	(51)	(72)	–	(123)
	Deferred income tax liabilities (Note 29)	–	(516)	–	(516)
	Total liabilities	(74)	(2,415)	(6)	(2,495)
	Total identifiable net assets	869	15,024	180	16,073
	Less: Non-controlling interests	–	(564)	(54)	(618)
	Less: Bargain purchase (Note 6)	–	(995)	–	(995)
	Considerations transferred for the businesses	**869**	**13,465**	**126**	**14,460**

(d) *Acquisition-related costs*

No significant acquisition-related costs arose from the acquisition of GCI, SLTG and ESPL as the acquisitions are handled by the Group's legal department and risk management department. The related staff costs are included within administration expenses in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

(e) *Acquired receivables*

The fair values of trade and other receivables are S$381,000, S$1,234,000 and S$186,000 for GCI, SLTG and ESPL respectively, represent gross contractual amounts receivables. Other than fair values of trade receivables of S$25,000 for GCI, the remaining fair values represents fair values of other receivables. None of the trade and other receivables is expected to be uncollected at the acquisition date.

40. Business Combinations (continued)

(f) *Contingent cash consideration*

The Group is required to pay the former owners of SLTG US$2,100,000 (or approximately S$2,643,000) in cash which is payable in three equal instalments of US$700,000 on the first, second and third anniversaries from the completion of acquisition, provided the capacity of the business is increased by at least one balloon (with a total capacity of 18 or more passengers) per annum whilst complying with the international health and safety regulations adopted by SLTG.

As at 31 March 2014, the contingent cash consideration has been fully paid to the former owners as SLTG has increased the capacity of the business by three balloons as stated in the sales and purchase agreement. Since the contingent cash consideration is settled within 12 months from completion of acquisition, there is no change in the fair value of the contingent cash consideration.

(g) *Air operator certificates*

Air operator certificates relate to the certificate issued by the Myanmar Department of Civil Aviation to authorise an operator to carry out specific commercial air transport operations, i.e. hot air balloons for SLTG and certificate for each balloon to be flown over Bagan. The fair value of air operator certificates acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows.

(h) *Non-controlling interests*

The Group has chosen to recognise the 30% non-controlling interests arise from acquisitions of SLTG and ESPL based on their proportionate interests in the recognised amounts of assets and liabilities of SLTG and ESPL respectively.

(i) *Bargain purchase*

Bargain purchase of S$995,000 arising from the acquisition of SLTG is attributable to the tourism services in Myanmar. Bargain purchase is a result of the excess of the fair value of the net identifiable assets in SLTG over the consideration transferred and has been recognised in profit or loss under “Other income – net” (Note 6).

(j) *Revenue and (loss)/profit contribution*

Revenue and net (loss)/profit contributed by GCI, SLTG and ESPL to the Group from the acquisition date to 31 March 2014 are as follows:

	GCI	**SLTG**	**ESPL**
	S$'000	**S$'000**	**S$'000**
Revenue	438	5,298	–
Net (loss)/profit	(34)	1,354	(4)

Had GCI, SLTG and ESPL been consolidated from 1 April 2013, consolidated revenue and profit for the financial year ended 31 March 2014 would have been S$100,493,000 and S$23,752,000 respectively.

41. Events occurring after balance sheet date

(a) In April 2015, the Company through its wholly-owned subsidiary, Myanmar Motors acquired the controls of Seven Golden Gates Company Ltd. (“SGG”) and SGG Motor Services Ltd. (“SGGMS”) for consideration of Kyats 5,000,000 each, representing paid up and issued capital of SGG and SGGMS respectively. The Group has also acquired the remaining 30% interest in Successful Goal Trading Company Ltd. (“SGT”) for consideration of Kyats 5,000,000. SGG, SGGMS and SGT are acquired for the purpose of automotive service products related business. The fair value of the Group’s share of the identifiable net assets, acquisition-related costs, details of assets acquired and liabilities assumed, revenue and profit contribution of SGG and SGGMS and the effect on the cash flows for the Group are not disclosed, as the accounting for the acquisition of SGG and SGGMS is still incomplete at the time these financial statements have been authorised for issue. SGG and SGGMS will be consolidated with effect from 1 April 2015. The acquisition of remaining 30% interest in SGT will be accounted for as transaction with non-controlling interests and it is not expected to have significant impact on the equity attributable to owners of the Company.

41. Events occurring after balance sheet date (continued)

(b) In May 2015, the Company's wholly-owned subsidiary, Yoma Strategic Investments Ltd. has incorporated a wholly-owned subsidiary, Yoma Venture Company Limited ("YVCL") with an issued and paid-up share capital of Kyats 5,000,000 comprising of 5,000 ordinary shares of Kyats 1,000 each. YVCL is incorporated for the purpose of real estate related business. Other financial information are not disclosed as the wholly-owned subsidiary was just incorporated.

42. New accounting standards and interpretation

Below are the mandatory accounting standards and amendments to existing accounting standards that have been published and relevant for the Group's accounting periods beginning on or after 1 April 2015 which the Group has not early adopted:

Effective for annual periods beginning on or after 1 July 2014
- FRS 19 Defined Benefit Plans : Employee Contributions

Effective for annual periods beginning on or after 1 January 2015
- Improvements to FRSs (January 2014)
  - Amendment to FRS 102 Share-based payment
  - FRS 103 Business Combinations
  - FRS 108 Operating Segments
  - FRS 16 Property, Plant and Equipment
  - FRS 24 Related Party Disclosures
  - FRS 38 Intangible Assets

- Improvements to FRSs (February 2014)
  - FRS 103 Business Combinations
  - FRS 113 Fair Value Measurement
  - Amendment to FRS 40 Investment Property

Effective for annual periods beginning on or after 1 January 2016
- Amendments to FRS 1: Disclosure Initiative
- Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation
- FRS 114 Regulatory Deferral Accounts
- Amendments to FRS 110, FRS 112 and FRS 28: Investment Entities: Applying the Consolidation Exception
- Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations
- Amendments to FRS 16 and FRS 41: Agriculture: Bearer Plants
- Improvements to FRSs (November 2014)
- FRS 107 Financial Instruments: Disclosures
- FRS 19 Employee Benefits

Effective for annual period beginning on or after 1 January 2017
- FRS 115 Revenue from Contracts with Customers

Effective for annual period beginning on or after 1 January 2018
- FRS 109 Financial Instruments

The management anticipate that the adoption of the above FRS's and amendments to FRS in the future period will not have material impact on the financial statements of the Group and of the Company in the period of initial adoption.

STATISTICS OF SHAREHOLDINGS

As at 15 June 2015

SUBSTANTIAL SHAREHOLDER	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	%	NO. OF SHARES	%
SERGE PUN	444,936,358(1)	25.72	198,896,790(2)	11.50
ABERDEEN ASSET MANAGEMENT PLC	–	–	158,034,725(3)	9.13
ABERDEEN ASSET MANAGEMENT ASIA LIMITED	–	–	158,034,725(3)	9.13
THE CAPITAL GROUP COMPANIES, INC.	–	–	138,931,503(4)	8.03
CAPITAL RESEARCH AND MANAGEMENT COMPANY	–	–	138,931,503(4)	8.03
CAPITAL GROUP INTERNATIONAL, INC.	–	–	138,931,503(4)	8.03
EATON VANCE CORP.	–	–	64,876,000(5)*	5.02
EATON VANCE MANAGEMENT	–	–	64,876,000(5)*	5.02
BOSTON MANAGEMENT AND RESEARCH	–	–	65,389,000(5)*	5.06

Note (1):

444,573,332 shares are held through nominee companies.

Note (2):

Mr. Serge Pun is deemed interested in (a) 896,790 shares held by Pun Holdings Pte Ltd and (b) 198,000,000 shares held by Pun Holdings Investments Limited. Pun Holdings Pte Ltd is 100% owned by Mr. Serge Pun and Pun Holdings Investments Limited is a 100% subsidiary of Pun Holdings Pte Ltd.

Note (3):

Aberdeen Asset Management PLC is the parent company of Aberdeen Asset Management Asia Limited ("AAMAL"). AAMAL acts as an investment manager for various clients/funds and has the power to exercise, or control the exercise of, a right to vote attached to the securities and has the power to dispose of, or control the disposal of, the securities. The registered holder(s) of the securities is the client's or fund's custodian.

Note (4):

The Capital Group Companies, Inc. ("CGC") is the parent company of Capital Research and Management Company ("CRMC"). CRMC is a U.S.-based investment management company that manages the American Funds family of mutual funds. CRMC manages equity assets for various investment companies through three divisions, Capital Research Global Investors, Capital International Investors and Capital World Investors. CRMC in turn is the parent company of Capital Group International, Inc. ("CGII"), which in turn is the parent company of five investment management companies ("CGII management companies"): Capital Guardian Trust Company, Capital International, Inc., Capital International Limited, Capital International Sàrl and Capital International K.K. The CGII management companies primarily serve as investment managers to institutional clients.

Neither CGC nor any of its affiliates own shares of Yoma Strategic Holdings Ltd. (the "Company") for its own account. Rather, the shares reported are owned by accounts under the discretionary investment management of one or more of the investment management companies described in its notification of substantial shareholdings in the Company.

Holdings of the CGII management companies are as follow: Capital Guardian Trust Company (25,491,235 voting shares), Capital International, Inc. (70,659,483 voting shares), Capital International Limited (1,347,000 voting shares) and Capital International Sàrl (41,433,785 voting shares). The said shares are managed by the CGII management companies in exercise of the investment management discretion vested in them in their respective capacities as investment managers to institutional clients.

As CGII is the holding company of the CGII management companies, CGII has a deemed interest in an aggregate of 138,931,503 voting shares in the Company. As CRMC is the parent company of CGII, in accordance with Sections 4(4) and 4(5) of the Securities and Futures Act, Chapter 289 of Singapore ("SFA"), CRMC has a deemed interest in the said 138,931,503 voting shares in the Company managed by the CGII management companies.

For the reasons stated, CRMC has a total deemed interest of 138,931,503 voting shares in the Company, which constitutes approximately 8.03% of the total number of voting shares (excluding treasury shares) in the Company.

As CGC is the parent company of CRMC, pursuant to Sections 4(4) and 4(5) of the SFA, CGC is deemed interested in the total interest of CRMC of 138,931,503 shares (8.03%).

Note (5):

Eaton Vance Corp. (“EVC”) is the parent company of multiple fund managers, including Eaton Vance Management (“EVM”) and Boston Management and Research (“BMR”). EVM is a wholly owned subsidiary of EVC. BMR is a 99.9% owned subsidiary of EVM. EVM and BMR are managers of certain funds that own in the aggregate more than 5% of the outstanding securities of Yoma Strategic Holdings Ltd. EVC, through the funds managed by its subsidiaries, has the power to exercise, or control the exercise of, a right to vote attached to the securities and has the power to dispose of, or control the disposal of, the securities.

* Company’s Note:-

Notifications of substantial shareholdings in Yoma Strategic Holdings Ltd. (the “Company”) by EVC, EVM and BMR were made based on their acquisitions of shares in the Company in October 2014, prior to the Company’s rights issue completed on 09/02/2015.

Based on information available to the Company as at 15 June 2015, approximately 40.56% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of **YOMA STRATEGIC HOLDINGS LTD**. (the "**Company**") will be held at The Straits Room, Level Four, The Fullerton Hotel, 1 Fullerton Square, Singapore 049178 on 27 July 2015 at 2 p.m. to transact the following business:-

AS ORDINARY BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

1. To receive and adopt the Directors' Report and Audited Financial Statements of the Company for the financial year ended 31 March 2015 together with the Independent Auditor's Report thereon. **(Resolution 1)**

2. To approve the payment of Directors' fees of up to S$285,000 payable by the Company for the financial year ending 31 March 2016.
(Resolution 2)

3. To re-elect Mr. Serge Pun @ Theim Wai as a Director of the Company, who is retiring pursuant to Article 104 of the Articles of Association of the Company and who, being eligible, will offer himself for re-election.
(See Explanatory Note 1) **(Resolution 3)**

4. To re-elect Mr. Basil Chan as a Director of the Company, who is retiring pursuant to Article 104 of the Articles of Association of the Company and who, being eligible, will offer himself for re-election.
(See Explanatory Note 2) **(Resolution 4)**

5. To re-elect Mr. Pun Chi Yam Cyrus as a Director of the Company, who is retiring pursuant to Article 104 of the Articles of Association of the Company and who, being eligible, will offer himself for re-election.
(See Explanatory Note 3) **(Resolution 5)**

6. To re-appoint Mr. Kyi Aye as a Director of the Company pursuant to Section 153(6) of the Companies Act (Cap. 50) to hold office until the next Annual General Meeting of the Company.
(See Explanatory Note 4) **(Resolution 6)**

7. To re-appoint Nexia TS Public Accounting Corporation as Independent Auditor of the Company for the financial year ending 31 March 2016 and to authorise the Directors of the Company to fix their remuneration. **(Resolution 7)**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions, with or without any modifications:

8. That pursuant to Section 161 of the Companies Act (Cap. 50) and the rules, guidelines and measures issued by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Directors of the Company be and are hereby authorised and empowered to issue:

   (i) shares in the capital of the Company ("**shares**"); or

   (ii) convertible securities; or

   (iii) additional convertible securities issued pursuant to adjustments; or

   (iv) shares arising from the conversion of the securities in (ii) and (iii) above,

   (whether by way of rights, bonus or otherwise or in pursuance of any offer, agreement or option made or granted by the Directors during the continuance of this authority or thereafter) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit (notwithstanding the authority conferred by this Resolution may have ceased to be in force),

   provided that:

   (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of convertible securities made or granted pursuant to this Resolution) does not exceed fifty per cent. (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) ("**Issued Shares**"), provided that the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company (including shares to be issued in pursuance of convertible securities made or granted pursuant to this Resolution) does not exceed twenty per cent. (20%) of the total number of Issued Shares;

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of Issued Shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities;

(ii) (where applicable) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with the Listing Manual of the SGX-ST (the "**Listing Manual**"); and

(iii) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the rules, guidelines and measures issued by the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(4) (unless revoked or varied by the Company in a general meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
(See Explanatory Note 5) **(Resolution 8)**

9. That for the purposes of Chapter 9 of the Listing Manual:

(a) approval be and is hereby given for the Company and its subsidiary companies (the "**Group**") or any of them to enter into any of the transactions falling within the categories of Interested Person Transactions, particulars of which are set out in the Company's addendum to shareholders dated 10 July 2015 (the "**Addendum**"), with any party who is of the class or classes of Interested Persons described in the Addendum, provided that such transactions are made on normal commercial terms in accordance with the review procedures for Interested Person Transactions as described in the Addendum (the "**Shareholders' Mandate**");

(b) the Shareholders' Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier;

(c) the Audit and Risk Management Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual which may be prescribed by the SGX-ST from time to time; and

(d) the Directors of the Company be and are hereby authorised to do all such acts and things (including, without limitation, executing all such documents as may be required) as they may consider necessary, desirable, expedient or in the interest of the Company to give effect to the Shareholders' Mandate and/or this Resolution.
(See Explanatory Note 6) **(Resolution** 9**)**

10. That pursuant to Section 161 of the Companies Act (Cap. 50), the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the provisions of the Yoma Strategic Holdings Employee Share Option Scheme 2012 (the "**YSH ESOS 2012**") and to issue and allot from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options under the YSH ESOS 2012, notwithstanding that the approval has ceased to be in force if the shares are issued pursuant to the exercise of an option granted while the approval to offer and grant the option was in force, provided that the aggregate number of new shares to be issued pursuant to YSH ESOS 2012 shall not exceed fifteen per cent. (15%) of the issued ordinary share capital of the Company (excluding treasury shares) from time to time.
(*See Explanatory Note 7)* **(Resolution 10)**

11. To transact any other business which may be properly transacted at an Annual General Meeting of the Company.

BY ORDER OF THE BOARD

Loo Hwee Fang & Lun Chee Leong
Joint Company Secretaries

Singapore
10 July 2015

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:-

1. Mr. Serge Pun @ Theim Wai, when re-elected, will be considered an Executive Director.

2. Mr. Basil Chan, when re-elected, will be considered an Independent and Non-Executive Director. He will remain as the Independent Director, the Chairman of the Audit and Risk Management Committee and a member of the Nominating and Governance Committee and the Remuneration Committee.

3. Mr. Pun Chi Yam Cyrus, when re-elected, will be considered an Executive Director.

4. Mr. Kyi Aye, when re-appointed, will be considered an Independent and Non-Executive Director. He will remain a member of the Audit and Risk Management Committee, the Nominating and Governance Committee and the Remuneration Committee.

5. Ordinary Resolution 8 proposed above, if passed, will empower the Directors of the Company, from the date of the above Annual General Meeting until the next Annual General Meeting, to issue shares in the capital of the Company and to make or grant convertible securities, and to issue shares in pursuance of such convertible securities, without seeking any further approval from shareholders in a general meeting, up to a number not exceeding fifty per cent. (50%) of the total number of Issued Shares of which up to twenty per cent. (20%) of the total number of Issued Shares may be issued other than on a pro rata basis to shareholders.

6. Ordinary Resolution 9 proposed above, if passed, will modify and renew the existing shareholders' mandate that was first approved by shareholders on 10 September 2007, expanded in scope on 3 December 2010 and modified on 30 July 2013. If passed, the Shareholders' Mandate will allow the Group to enter into Interested Person Transactions with those classes of Interested Persons as described in the Addendum and will empower the Directors of the Company to do all acts necessary to give effect to the Shareholders' Mandate. The existing shareholders' mandate was last renewed at the Annual General Meeting of the Company on 25 July 2014.

7. Ordinary Resolution 10 proposed above, if passed, will authorise the Directors of the Company to offer and grant options and to issue and allot shares pursuant to the exercise of options under the YSH ESOS 2012 not exceeding fifteen per cent. (15%) of the issued ordinary share capital of the Company (excluding treasury shares) from time to time.

Notes:-

1. A member entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

2. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.

3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

4. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 78 Shenton Way, #32-00, Singapore 079120, not less than forty-eight (48) hours before the time appointed for the Annual General Meeting.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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YOMA STRATEGIC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 196200185E)

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT:
1. For investors who have used their CPF monies to buy Yoma Strategic Holdings Ltd.'s Shares, this Annual Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, ____________________ (Name(s) with NRIC No./Passport No./Company Registration No.)

of ____________________ (Address)
being a member/members of YOMA STRATEGIC HOLDINGS LTD. (the "**Company**"), hereby appoint:

Name	Address	NRIC / Passport No.	Proportion of Shareholdings (%)

and/or *(delete as appropriate)*

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at The Straits Room, Level Four, The Fullerton Hotel at 1 Fullerton Square, Singapore 049178 on 27 July 2015 at 2 p.m., and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Annual General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Annual General Meeting. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

Ordinary Resolutions		For*	Against*
1	Adoption of Directors' Report and Audited Financial Statements for financial year ended 31 March 2015 and the Independent Auditor's Report thereon		
2	Approval of Directors' fees for financial year ending 31 March 2016		
3	Re-election of Mr. Serge Pun @ Theim Wai as a Director		
4	Re-election of Mr. Basil Chan as a Director		
5	Re-election of Mr. Pun Chi Yam Cyrus as a Director		
6	Re-appointment of Mr. Kyi Aye as a Director		
7	Re-appointment of Nexia TS Public Accounting Corporation as Independent Auditor		
8	Authority to issue Shares pursuant to the share issue mandate		
9	Renewal of the Shareholders' Mandate for Interested Person Transactions		
10	Authority to offer and grant options and issue shares pursuant to the YSH ESOS 2012		

* If you wish to exercise all your votes "For" or "Against", please tick (√) within the box provided.

Dated this ________ day of ____________________ 2015

Total Number of Shares held in:	Number of Shares
CDP Register	
Register of Members	

____
Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

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NOTES

1 A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company.

2 Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy, and if no such proportion is specified, the first named proxy shall be deemed to represent 100 percent (100%) of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

3 Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Annual General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under this instrument appoint a proxy or proxies, to the Annual General Meeting.

4 A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act (Cap.50) of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.

5 This instrument appointing a proxy or proxies must be deposited at the Company's registered office at 78 Shenton Way, #32-00,Singapore 079120, not less than forty-eight (48) hours before the time appointed for the Annual General Meeting.

6 This instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where this instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

Fold along dotted line

AFFIX
STAMP

The Company Secretary
YOMA STRATEGIC HOLDINGS LTD.
78 Shenton Way
#32-00
Singapore 079120

Fold along dotted line

7 Where this instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this instrument, failing which, this instrument may be treated as invalid.

8 The Company shall be entitled to reject this instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified on this instrument. In addition, in the case of shares entered in the Depository Register, the Company may reject this instrument appointing a proxy or proxies if the member, being the appointer, is not shown to have shares entered against his name in the Depository Register as at forty-eight (48) hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 10 July 2015.

CORPORATE INFORMATION

Board of Directors
Mr. Serge Pun @ Theim Wai
(Executive Chairman and Executive Director)

Mr. Andrew Jonathan Rickards
(Chief Executive Officer and Executive Director)

Mr. Cyrus Pun Chi Yam
(Executive Director)

Mr. Melvyn Pun Chi Tung
(Alternate Director to Mr. Serge Pun)

Mr. Adrian Chan Pengee
(Lead Independent Director)

Mr. Basil Chan
(Independent Director)

Mr. Kyi Aye
(Independent Director)

Dato Dr. Mohd Amin Liew Abdullah
(Independent Director)

Audit and Risk Management Committee
Mr. Basil Chan *(Chairman)*
Mr. Adrian Chan Pengee
Mr. Kyi Aye
Dato Dr. Mohd Amin Liew Abdullah

Nominating and Governance Committee
Mr. Adrian Chan Pengee *(Chairman)*
Mr. Basil Chan
Mr. Kyi Aye

Remuneration Committee
Dato Dr. Mohd Amin Liew Abdullah *(Chairman)*
Mr. Basil Chan
Mr. Kyi Aye

Joint Company Secretaries
Ms. Loo Hwee Fang
Mr. Lun Chee Leong

Company Registration Number
196200185E

Registered Office
78 Shenton Way
#32-00
Singapore 079120
Tel: (65) 6223 2262
Fax: (65) 6223 1990

Registrar and Share Transfer Office
B.A.C.S. Pte Ltd
63 Cantonment Road
Singapore 089758
Tel: (65) 6593 4848
(65) 6593 4847

Independent Auditor
Nexia TS Public Accounting Corporation
Public Accountants and
Chartered Accountants

100 Beach Road
#30-00 Shaw Tower
Singapore 189702

Mr. Loh Ji Kin
Director-in-charge
(Appointed with effect from Financial Year 2011)

Principal Bankers of the Group
DBS Bank Ltd
12 Marina Boulevard Tower 3
Marina Bay Financial Centre
Singapore 018982

CIMB Bank Berhad
50 Raffles Place
#09-01 Singapore Land Tower
Singapore 048623

The Bank of East Asia, Limited
60 Robinson Road
BEA Building
Singapore 068892

YOMA STRATEGIC HOLDINGS LTD.

78 SHENTON WAY #32-00

SINGAPORE 079120

TEL: (65) 6223 2262

FAX: (65) 6223 1990

WEBSITE: www.yomastrategic.com