YOMA
STRATEGIC HOLDINGS LTD.

ANNUAL REPORT 2007

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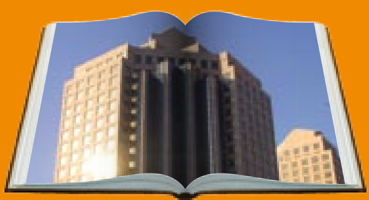
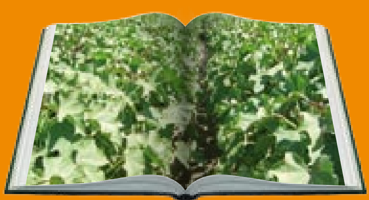




Chapter 01

Who we are

02

Corporate Profile

Listed on the Singapore Exchange ("SGX") on 24 August 2006, Yoma Strategic Holdings Ltd. ("YSH" or "the Group") is a leading business corporation with current interests and activities in Myanmar. YSH's principal activities involve the development of land, sale of private residential properties, construction, as well as design and project management for real estate developments in Myanmar.

YSH aims to be a Multinational Corporation with strategic businesses beyond real estate and in more than one market. YSH has put in place a strategic platform for achieving this vision. The listing on the SGX has set high standards of corporate governance and a transparent system of reporting within YSH. Together with the stewardship of an experienced Board of Directors, the Group continues to set itself demanding performance standards.

YSH's growth will be derived from organic business expansion as well as via new acquisitions. The Group sees itself as an ideal business partner for multinational corporations from beyond the Asia Pacific, as it has the requisite experience in developing and managing successful business ventures in emerging markets such as Myanmar.

As part of its long term strategic intent to diversify and seek a more balanced revenue stream, YSH has announced the proposed acquisition of Plantation Resources Pte Ltd, a company with the rights to manage and sell the produce of a 100,000 acre Jatropha Curcas plantation in Myanmar. In addition, YSH has announced the acquisition of a majority stake in the Zhong Bei Building in Dalian, PRC (People's Republic of China) to expand its real estate development initiatives beyond Myanmar.

Chapter 02

YSH capitalises on its strengths for growth

Focused on

Quality, Creativity & Value Creation

Pun Hlaing Golf Estate

Known as "The Pride of Myanmar", the Pun Hlaing Golf Estate offers an unparalleled private and secure living and recreational experience. An environment and quality of life second to none in the Myanmar market. In the four years of the estate being on the market, the Pun Hlaing name has become a recognised "brand" synonymous with upmarket, international level luxury living in Myanmar.

FMI City – Orchid Garden

A township within itself, FMI City has its own sports and recreation centre, supermarket and shopping arcade, bank, wet market and a bus ferry service to downtown. During the past nine years, FMI City has become a benchmark for mass housing development in the Union of Myanmar.

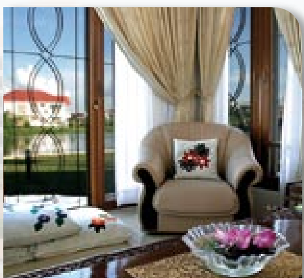
Evergreen Condominiums

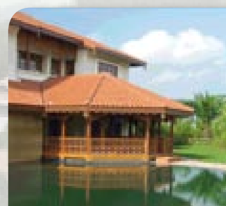
Evergreen Condominiums offer a comfortable, convenient and affordable lifestyle. Situated on a prime 9.34 acre plot of land in the North-East corner of the Pun Hlaing Golf Estate ("PHGE"), Evergreen Condominiums at Pun Hlaing ("Evergreen") overlooks the 12th green of the Pun Hlaing Golf Course. It is a self-contained, 8 buildings development launched in April 2003.

Riverside Development *

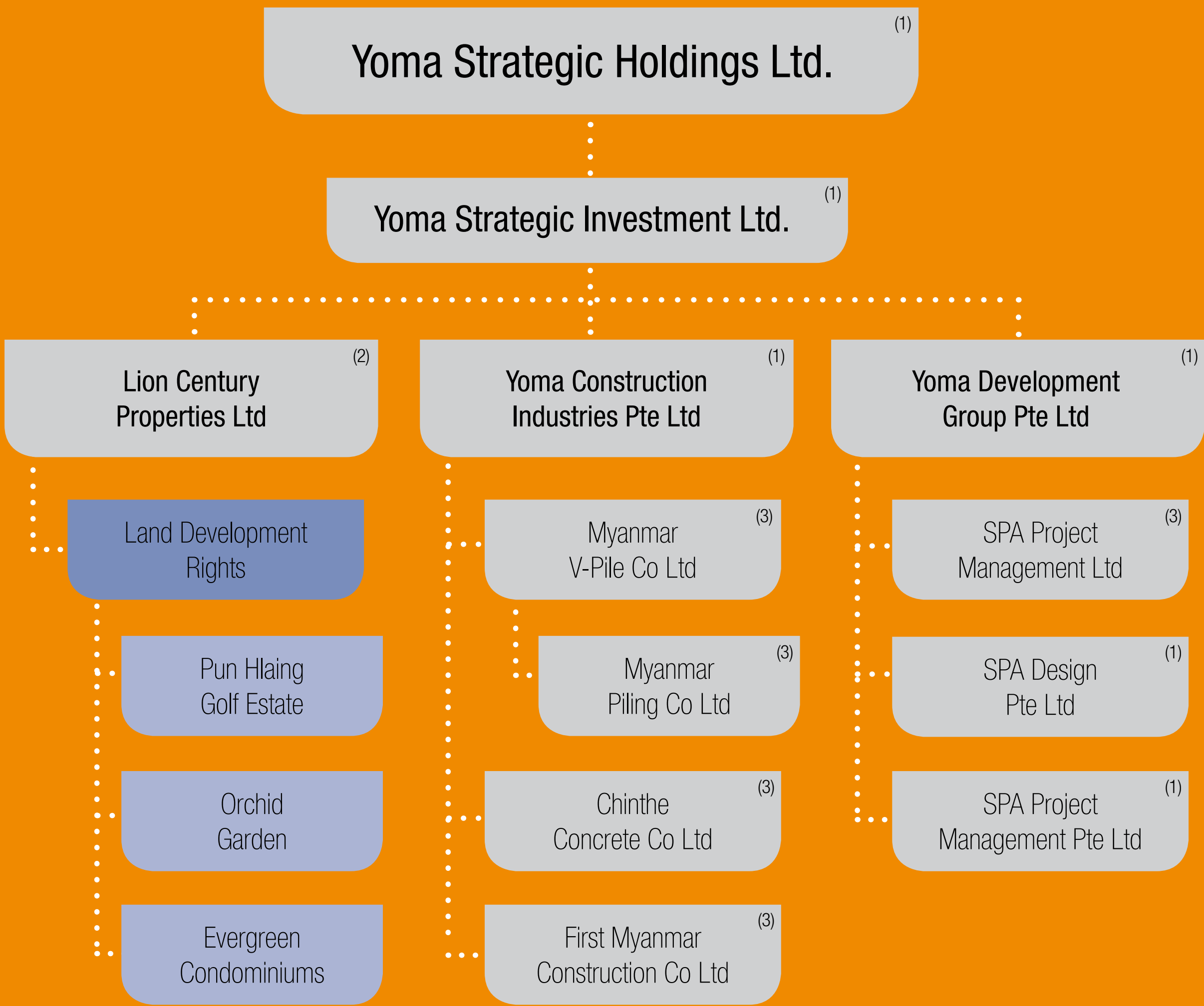
A new development covering approximately 40 acres of land situated on the banks of Hlaing River in the Hlaing Thaya District of Yangon, Myanmar. Primarily, the Riverside Development comprises a total floor area of 1.35 million square feet and is situated adjacent to the FMI City - Orchid Garden.

* The Group had given notice to Serge Pun & Associates (Myanmar) LImited ("SPA") that it intends to exercise its rights to acquire 52.5% of the land development rights of Riverside Development in Yangon, Myanmar from SPA. The completion of certain legal documentation is expected to be finalised in the financial year ending 31 March 2008.





06 Corporate Structure



(1) Incorporated in Singapore
(2) Incorporated in British Virgin Islands
(3) Incorporated In Myanmar

Chapter 03

YSH aims to be a Multinational Corporation with strategic businesses beyond real estate and in more than one market

Chairman's Message & Operations Review

This has been a maiden year for Yoma Strategic Holdings Ltd. as a Mainboard listed company on the Singapore Exchange, after the successful reverse takeover of Sea View Hotel Limited. As a company with all its activities in Myanmar, YSH provided our shareholders with a unique opportunity to participate in the economic development of this lesser known 'frontier of emerging markets' in Southeast Asia. Looking back over the 7 months since our listing on 24 August 2006, I am pleased to present to you our first Annual Report and to share with you our plans for the coming year.

The past year

Profit and Loss Statement

FY2006-2007 was in fact a very challenging year. Towards the last quarter of the year, we witnessed a marked decline in real estate activities brought about by the continued tightening of money supply and concerns in the business community over the macroeconomic environment in Myanmar.

Our Group's revenue declined from S$13.1 million for the financial year ended 31 March 2006 ("FY2006") to S$9.2 million for the financial year ended 31 March 2007 ("FY2007"). This decline was due to decreases in revenues from our various business segments.

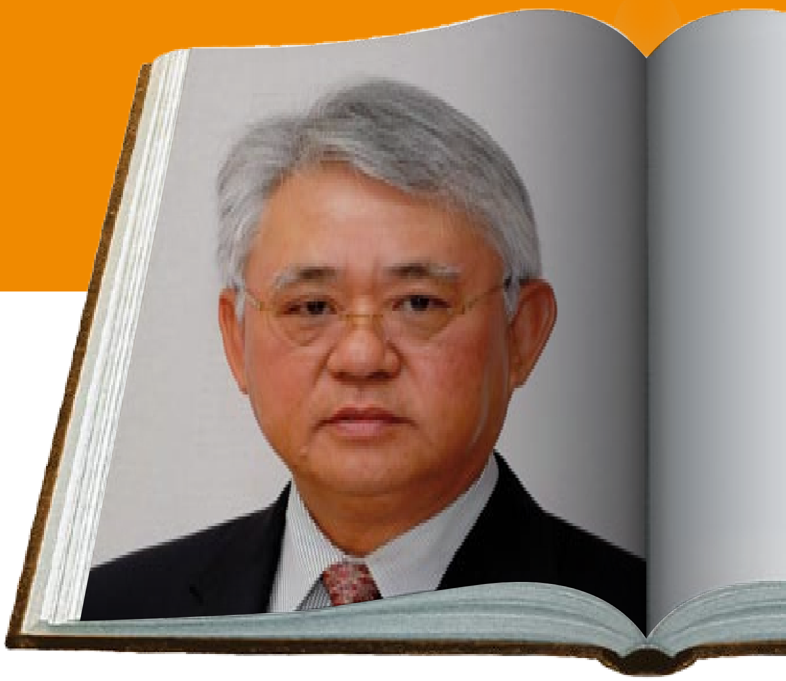
Revenue from houses and land development rights for FY2007 was S$1.8 million compared to S$4.4 million in FY2006. Due to the slowdown in Myanmar's real estate sector, profit contribution from houses and land development rights for FY2007 has also decreased correspondingly to S$0.2 million compared to S$0.9 million in FY2006.

Revenue from construction related activities declined moderately to S$6.0 million in FY2007 compared to S$6.3 million in FY2006. As a result of the reduced revenue, the profit contribution from our construction activities decreased to S$0.8 million in FY2007 compared to S$1.0 million in FY2006.

For the financial year ended 31 March 2007, revenue from our Group's professional services was S$1.3 million compared to S$2.3 million in FY2006. The decrease was led by less design and project management projects carried out in the current year. Profit contribution in FY2007 was S$0.4 million compared to S$1.1 million in FY2006.

So as a result of declines in profit contributions from various business segments, we witnessed a loss from operations for the Group of S$0.2 million in FY2007 compared to the profit from operations of S$2.6 million in FY2006.

Goodwill of S$13.9 million arising from the reverse acquisition of YSH by the former shareholders of the Yoma Strategic Investments Ltd. ("YSIL") Group was written off in accordance with the Financial Reporting Standards and but did not have an effect on the operating results and cash flow of YSH.



Balance Sheet

The Group's cash and bank balances as at 31 March 2007 increased to S$6.1 million compared to S$1.4 million as at 31 March 2006 as a result of the settlement of balances due from related parties. The goodwill on consolidation of S$1.5 million, comprises goodwill arising from the acquisition of subsidiaries by YSIL.

Furthermore, other investment of S$1.1 million comprises an investment in SPA China Syndication No.1 (the "Syndication"). The Syndication has a 100% beneficial interest in Delight Result Limited, which holds a 25% equity stake in Winner Sight Investments Limited ("WSI"). The Company has an 8% interest in the Syndication. As stated in our earlier announcements, our Group has signed a conditional agreement to acquire a controlling interest in WSI.

Forging Ahead

At the time of our inception last year, we had in fact stated that we intend to diversify and take full advantage of the position we hold in Myanmar while simultaneously seek for opportunities in other markets. We have in fact implemented various moves to this affect. We continued to forge ahead with proposed new acquisitions that will not only add to shareholders' returns but diversify and strengthen our Group's revenue stream. We intend to participate in the burgeoning real estate market in China on one hand while diversifying into the highly promising alternate energy sector in Myanmar.

These initiatives would propel our Group to a much promising state of steady growth over the years to come whilst fully capitalising on our strengths in both the markets of China and Myanmar.

The Jatropha Curcas Initiative - A Potent Bio-diesel Feedstock

As the world tackles the alarming rate of environmental degradation, the majority of the world nations have resolved to address this pressing global issue by adopting worldwide initiatives such as the Kyoto Protocol. This agreement calls for signatory nations to reduce the emission of Greenhouse Gases by 5.2% below the 1990 emission levels. Amongst the many initiatives is the promulgation of laws by respective governments to impose a minimum bio-fuel content level in transport fuel by the year 2008 onwards. The acute need for bio-gasoline and bio-diesel has become an urgent and imperative issue on the agenda of most governments in the world.

Jatropha Curcas, also known by its more common name of Physic Nut is a toxic fruit commonly found in Myanmar, India, many parts of Africa and South America. As sugar cane and maize are the main feed stocks for bio-gasoline, oil palm and rapeseed were considered as the main feed stock for bio-diesel until recently. The discovery of Jatropha Curcas as a substitute main feed stock for bio-diesel has helped solve the many problems associated with diverting a food based feed stock such as oil palm to the energy sector and has caught the interest and imagination of the industry in a major way.

Worldwide there are many bio-diesel refineries under construction or in operation, most of which will be seeking jathropa oil as the main feed stock supply over the years to come. The government of Myanmar has announced publicly its national program to plant 7 million acres of Jathropa Curcas over the next decade. It has also achieved initial success in planting more than a million acres of Jathropa over the past few years. Through its associated companies in Myanmar, YSH has been able to tap into this unique opportunity.

On 22 February 2007, YSH entered into a conditional sales and purchase agreement to acquire 52.86% of Plantation Resources Pte Ltd ("PRPL") a Singapore registered company possessing the rights to manage and market the produce from a 100,000 acre Jatropha Curcas plantation in the Ayerwaddy Division of Myanmar, known as the Maw Tin Estate. This proposed acquisition is a strategic initiative to produce critical upstream feedstock to meet the tremendous demand for bio-diesel in the ensuing years to come and has laid the groundwork for YSH to become a major player in the plantation of Jathropa Curcas. More details of Jathropa Curcas plant and its tremendous potential can be found in our announcement released via the SGXNet.

The acquisition of PRPL is to be satisfied in full by the allotment and issue of approximately 15.53 million new Shares in the Company at 37.8 cents per new Share.

Zhong Bei Building – Riding on China's Economic Boom

On 5 March 2007, YSH made another strategic step in broadening its business engagement by making its first acquisition of a prime real estate in the People's Republic of China ("PRC"). YSH entered into a conditional sales and purchase agreement with Winner Sight Investments Limited ("WSI") to acquire 75% of its issued and paid up capital. WSI owns the Zhong Bei Building at the heart of Dalian's Development Area (or "DDA", for short).

Zhong Bei Building is a composite building of approximately 104,000 sq. meters comprising an office tower and a residential tower situated atop 3 stories of retail space. There is also one basement level housing the car parks and building services. The property was foreclosed due to the failure of the initial developer and was offered for sale at a public auction in November 2006, at which WSI was the successful bidder. Being a partially completed building, we will be able to unlock substantial value by completing it as a Grade A property unparalleled in the city of Dalian. In anticipation of the acquisition, the subject property will be renamed as THE GRAND CENTRAL comprising 3 elements: the office tower will be renamed as YOMA INTERNATIONAL FINANCE CENTRE; the serviced apartments will be renamed SHAMA LUXE SERVICED APARTMENTS to be managed and operated by the renowned Shama Group from Hongkong; and the shopping complex itself will be known as GRAND CENTRAL. This property will undoubtedly be one of the prime properties in the city of Dalian.

The successful acquisition of this property will enable the Company to derive steady rental income growth over the years in addition to considerable capital appreciation. The investment costs of this property, inclusive of the budgeted costs to complete the property will amount to approximately RMB 6,500 per sq. meter, whereas current valuations by an internationally recognized firm has already assessed the property to be worth in excess of RMB 8,000 per sq. meter on a completed basis.

To affect this acquisition, YSH is in the midst of proposing a one-for-one Rights Issue to raise up to S$51.1 million in gross proceeds to fund the acquisition and subsequent development of the building.

As at the time of release of this annual report, the acquisitions of PRPL and WSI are still awaiting the approval of the relevant regulatory authorities and will be subject to further approval by shareholders via an Extraordinary General Meeting.

Looking Forward

In the face of recent challenges posed on the real estate sector in Myanmar, it is our concerted intention to broaden our income generating sources from the new projects I have described above. It is also our intention to cast our operation network in the two selected business sectors, namely, real estate development and bio-fuel plantations, in more than one country, so as to attain the desired level of diversification and to enable us to withstand any temporary fluctuation in a given country.

Our unique position in Myanmar will always place us in good stead as we strive to capitalize on opportunities of exceptional potential. Simultaneously, our years of experience in the PRC market will provide us the prerequisites required to take part in its booming economy.

YSH is fortunate to have a strong governing board of directors consisting of four independent directors and two non executive directors. Combined they have more than a century of experience in the fields of banking, legal, accounting, business development and corporate management. They have provided strong leadership in corporate governance and are committed to ensure that the interest of all shareholders is adequately protected. As the executive chairman and chief executive officer of the Company, I consider myself privileged to be guided by such an esteemed group of leaders and wish to extend my gratitude on behalf of our shareholders for their untiring efforts to serve the Company.

I look forward to many years of continued growth and to deliver results to our shareholders.

Mr Serge Pun
Executive Chairman
Yoma Strategic Holdings Ltd.

Financial Highlights

Results of Operations for the Year ended 31 March

(S$'000)	FY2007	FY2006 (1) Audited Proforma	FY2005 (1) Audited Proforma
Revenue	9,171	13,125	18,055
Profit/(Loss) before taxation	(14,149)	2,602	4,330
Taxation	(280)	(804)	(1,049)
Total Profit/(Loss)	(14,429)	1,798	3,281
Attributable to:			
Equity holders of the Company	(14,712)	1,436	2,789
Minority interest	283	362	491
	(14,429)	1,798	3,281
Earnings per share (cents)	(5.21) (2)	0.39 (3)	0.76 (3)

Notes:
(1) Based on the results of the Yoma Strategic Investments Ltd. ("YSIL") Group.
(2) Based on weighted average share capital of 282,191,930 ordinary shares.
(3) Based on weighted average share capital of 369,163,952 ordinary shares.

Financial Positions as at 31 March

(S$'000)	FY2007	FY2006 (1) Audited Proforma	FY2005 (1) Audited Proforma
Current Assets			
Cash and bank balances	6,099	1,444	1,779
Trade receivables	1,029	2,086	1,179
Other receivables	897	199	1,131
Amounts due from related parties	745	6,259	4,289
Inventories	1,087	620	800
Work-in-progress in excess of progress billing	365	1,212	1,656
	10,222	11,820	10,834
Less:			
Current Liabilities			
Trade payables	492	541	295
Other payables	1,619	661	486
Progress billing in excess of work-in progress	43	517	1,242
Amounts due to related parties	114	1,675	2,143
Provision for taxation	2,571	2,680	2,858
	4,839	6,074	7,024
Net Current Assets	5,383	5,746	3,810
Non-current Assets			
Property, plant and equipment	1,866	1,926	1,485
Land development rights	81,874	82,517	84,502
Other investment	1,078	-	-
Intangible assets	1,515	1,524	1,862
	86,333	85,967	87,849
Net Assets	91,716	91,713	91,659
Shareholders' Funds			
Issued and paid up capital	104,359	89,319	89,319
Foreign exchange translation reserve	(1,384)	(1,172)	(321)
(Accumulated loss)/Retained earnings	(12,095)	2,617	1,958
	90,880	90,764	90,956
Minority interest	836	949	703
	91,716	91,713	91,659
Net tangible assets per share (cents)	21.18 (2)	24.43 (3)	24.32 (3)

Notes:
(1) Based on the financial position of the YSIL Group.
(2) Based on 425,816,982 ordinary shares as at 31 March 2007.
(3) Based on 369,163,952 ordinary shares as at end of financial year.

Chapter 04

Forging ahead with bold new plans

Significant Events

Corporate Development

17 August 2006
Company renamed Yoma Strategic Holdings Ltd.

24 August 2006
Yoma Strategic Holdings Ltd. re-listed on the SGX

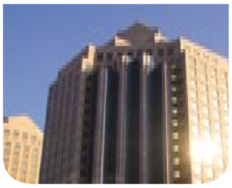
Strategic Move Into Bio-Diesel

22 February 2007
Proposed Acquisition of Plantation Resources Pte Ltd

Create broader and more balanced revenue stream
Explore opportunities outside real estate
Take strategic stakes in projects that yield strong recurring revenue

5 June 2007
Plantation Resources Pte Ltd announces partnership with UK-based consultants Syndicatum Carbon Capital, a developer and technology provider of greenhouse gas abatement projects across various continents. Move aimed at exploring Carbon Credit Projects in Myanmar, as part of Clean Development Mechanism

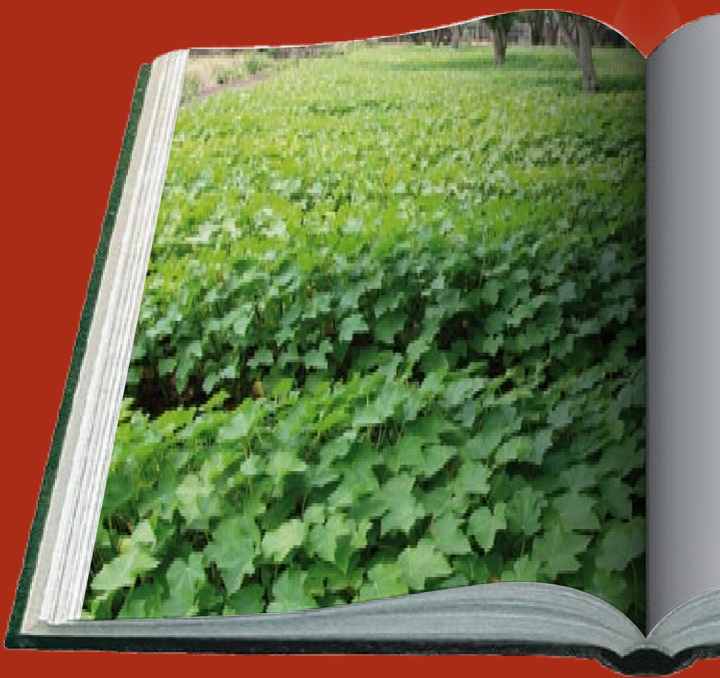
Move Into Chinese Property Market



5 March 2007
Proposed Acquisition of Winner Sight Investments Ltd

Strategic move to undertake real estate projects outside of Myanmar
Widen geographical scope of property development business

"Our strategic aim is to provide Yoma with a balanced and predictable revenue stream as well as to address the rising worldwide demand for clean non-fossil fuel energy sources. We can achieve both through the cultivation of Jatropha Curcas... "



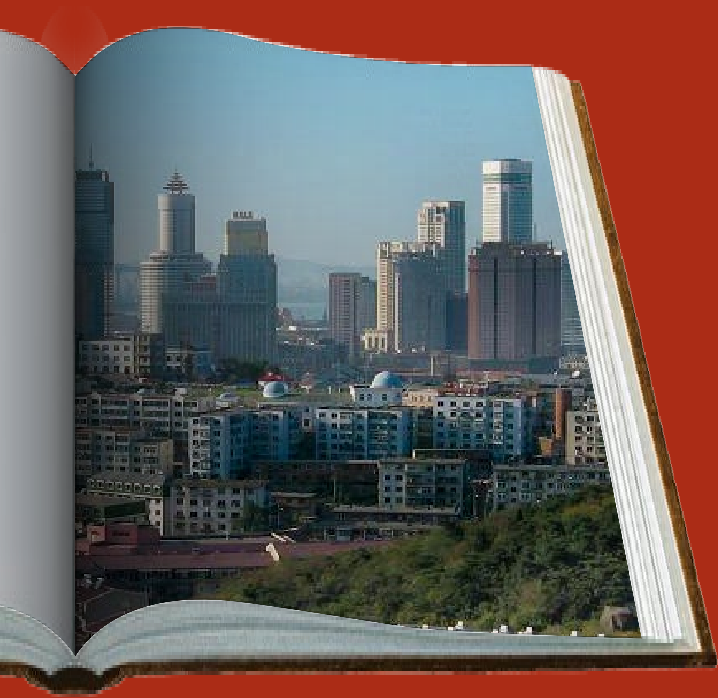
Moving into the future, rising environmental concerns and a global demand for cleaner sources of fuel are driving a potential demand for bio-diesel. This brings about a need for alternative feedstock for producing bio-fuel, one of which is Jatropha Curcas.

Jatropha Curcas is a drought resistant perennial plant. The oil extracted from its seeds is an alternative feedstock for bio-diesel, a form of bio-fuel. The plant can grow at a very fast rate even under harsh soil and weather conditions from stem cuttings or seeds. Seed production can take place within two years of planting and will continue for up to 50 years.

On 22 February 2007, Yoma Strategic Holdings Ltd. entered into a conditional sale and purchase agreement to acquire a majority stake in Plantation Resources Pte Ltd, a company with the exclusive rights to manage, operate, and sell the produce from a 100,000-acre plantation, situated in the Ayerwaddy Division of Myanmar for the cultivation of Jatropha Curcas.

This will be the first of several catalysts to spur Yoma's future growth.

Move Into Chinese Property Market



"We embarked on a key initiative to expand our business beyond our shores and into the Chinese real estate market where our decades of development experience put us a cut above the rest..."

Dalian, located in China's Liaoning Province, is known to be the window to the opening up of northeast China and a city where abundant investment opportunities lie. Total investment in fixed assets alone hit almost 147 billion Renminbi in 2006, a record high over the past 12 years, while that on real estate development reached over 26 billion Renminbi.

3 June 2007
Official Ground Breaking Ceremony of Zhong Bei Building (The Grand Central)

In Dalian city is the Dalian Economic & Technological Development Zone, the first of its kind approved by China's State Council in 1984. Situated on the Dagushan Peninsula in the northeast of Liaoning, the Zone enjoys the convenience of being within 27 km from the city centre and a railway station, airport and harbour.

In the heart of the Zone is the Zhong Bei Building. Once completed, it will be an icon within the Zone, with high end services apartments and integrated facilities; superior offices and a lifestyle mall comprising middle to high end retail, restaurant and entertainment outlets.

Chapter 05

YSH's growth is rooted in our people and their leadership

Board of Directors


Mr Serge Pun


Mr John E Strickland


Mr Kyi Aye


Mr Wang Chien Sheng Ambrose


Mr Ng Fook Leong Phillip


Mr Basil Chan


Mr Adrian Chan Pengee

Mr Serge Pun
Chairman & CEO

Serge Pun is a Myanmar national and the Chairman of the SPA Group. He founded Serge Pun & Associates Limited in 1983 in Hong Kong and was then primarily active in real estate brokerage and development. Serge Pun has led numerous real estate investments as a general partner in real estate limited partnerships, including projects such as Stewart Terrace on the Peak (1987 to 1988) and Village Gardens in Yau Yat Chuen (1988 to 1990). In these partnerships, Serge Pun was involved in the organisation, promotion and management of all real estate projects. In 1988, Serge Pun & Associates Limited opened its first overseas branch in Bangkok. Branches and subsidiaries in Kuala Lumpur (1990), Shenzhen (1988), Chengdu (1992) and Taipei (1992) followed in the ensuing years. Some of Serge Pun's more notable projects overseas were the Sand River Golf Club in Shenzhen (1991-1997) and the 1 million sq. ft. premier office building in Bangkok - Abdulrahim Place at 990 Rama IV (1989 to 2000). In 1991, Serge Pun decided to return to his hometown in Myanmar and set up the SPA Group, which has today grown to include about 40 operating companies active in 7 key businesses including financial services, manufacturing, real estate development, trading and distribution, the service industry, consulting and education, and information technology services.
In 1999, Serge Pun was conferred the title of honoris causa Doctorate in Philosophy (Ph.D) in Business Administration by the Southern California University for Professional Studies. Serge Pun was appointed an Honorary Business Representative of International Enterprise Singapore for Myanmar from 2004 to 2007. He has been invited to many international forums as guest speaker or panellist on subjects relating to China, Myanmar and ASEAN.

Appointed to the board of YSH on 17 August 2006, Serge Pun is the Chairman and Chief Executive Officer of YSH.

Mr John E Strickland
Lead Independent Director & Chairman Audit Committee

John Estmond Strickland GBS JP is a resident of Hong Kong. He spent most of his working career with the HSBC Holdings Plc ("HSBC") group of companies. From 1996 to1998 he was the executive chairman of The Hong Kong and Shanghai Banking Corporation Limited, which has responsibility for HSBC's operations in Asia Pacific. Presently he is chairman of Hong Kong Cyberport Management Co Ltd., and a director of Hong Kong Exchanges and Clearing, Esquel Holdings Inc and IDS Group Ltd. He is also a member of the Council of The University of Hong Kong, President of the Outward Bound Trust, and a member of the boards of a number of non-government organisations. He has a Masters degree (MA) in Physics from the University of Cambridge and has been awarded honorary doctorates by the City University of Hong Kong and the Hong Kong Polytechnic University.

Appointed to the board of YSH on 17 August 2006, John Estmond Strickland is an Independent Director and the Chairman of the Audit Committee of YSH.

Mr Kyi Aye (Alternate: Mr Kyaw Paing)
Non-Executive Director

Kyi Aye is a Myanmar national and a career banker. In his early days, after he has obtained 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.

Appointed to the board of YSH on 17 August 2006, Kyi Aye is a Non-Executive Director of YSH.

Mr Wang Chien Sheng Ambrose (Alternate: Mr Soe Win)

Non-Executive Director

Wang Chien Sheng, Ambrose is the Chairman of Global Concepts Ltd., a company he founded in 1975. The core business of Global Concepts Ltd. is apparel and hunting wear and the company has an annual turnover of over US$30 million.Wang Chien Sheng, Ambrose obtained his Bachelor of Arts degree from the department of Foreign Languages and Literature of National Cheng Kung University in Tainan in 1963 and he currently resides in Taipei. He has substantial interests in China, Thailand, Vietnam, Sri Lanka and Bangladesh where he oversees the manufacturing of his company's products for clients such as Wal-mart, Cabelas, Gander Mountain, Bass Pro Shops, Stearns International and Remington Sportswear. Since 2000, he has also expanded his business to Europe. Wang Chien Sheng, Ambrose has been an investor in many projects of the SPA Group.

Appointed to the board of YSH on 17 August 2006, Wang Chien Sheng, Ambrose is a Non-Executive Director of YSH.

Mr Ng Fook Leong Philip

Independent Director

Ng Fook Leong, Philip is a 26-year veteran with IBM who has held various marketing and technical management as well as executive appointments at IBM Singapore Pte Ltd and the IBM Group, including chairman and managing director of IBM Singapore Pte Ltd (1990 to 1994) and director of IBM World Trade Corporation - Sri Lanka Branch (1990 to 1994) and IBM-Brunei Darussalam (1990 to 1994). Philip Ng has worked in IBM Americas Far East Headquarters in the United States, IBM offices in Taiwan (1985 to 1987) and IBM Regional Headquarters in Hong Kong (1987 to 1989).
In 1994, Philip Ng left IBM to join Christie's as its regional managing director, Asia and Australia, and was concurrently chairman of the Asian Art Board, chairman of the Asia Management Board and a member of Christie's International Management Board. Subsequently, he was appointed to the main Board of Christie's. In 2001, he left Christie's to pursue his own interest in Asian Art.
Philip Ng graduated from the National University of Singapore with a Bachelor degree in Science. Philip Ng has chaired and served on various private companies in Singapore and other countries in Asia and Australia such as Christie's Hong Kong Ltd, Christie's Japan, Christie's Korea, Christie's Australia Pty Ltd, Christie's Auction (Thailand) Co. Ltd. He was also a member of the Governing Council of the Singapore Institute of Management, serving on various committees on information technology and the arts. Currently, he is the Chairman of Very Special Arts Singapore, a non-profit charitable organization using arts to help the disabled.

Appointed to the board of YSH on 17 August 2006, Philip Ng is an Independent Director of YSH and the Chairman of the Nominating and Remuneration Committees of YSH.

Mr Basil Chan

Independent Director

Basil Chan is the Founder and Managing Director of MBE Corporate Advisory Pte. Ltd. He also sits on the boards of AEM Holdings Ltd and RSH Limited, both public listed companies in Singapore, as their independent non-executive director. Basil Chan has more than 25 years of experience in audit, financial and general management, having held senior financial and management positions in companies including Singapore Technologies Pte. Ltd., Datacraft Asia Ltd., Schneider Electric South East Asia (HQ) Pte. Ltd. and Hua Kok International Ltd.
Basil Chan is also a director and member of the Governing Council of the Singapore Institute of Directors. 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 of the Institute of Certified Public Accountants of Singapore (ICPAS).
Basil 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, UK. 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 ICPAS.

Appointed to the board of YSH on 17 August 2006, Basil Chan is an Independent Director of YSH.

Mr Adrian Chan Pengee

Independent Director

Adrian Chan Pengee is Head of the Corporate Department and a Senior Partner at Lee & Lee. He has been a partner there since 1995. He actively practises in the areas of mergers and acquisitions, venture capital work, corporate and commercial law, capital markets, domestic and international joint ventures, corporate finance, corporate restructuring, securities law, stock exchange practice and employment law.
Adrian Chan continues into his eighth year of service on the Corporate Practice Committee of the Law Society of Singapore. He is also a director of Lovells Lee & Lee, the joint law venture between Lee & Lee and the international law firm, Lovells, and is an independent director on the Boards of United Pulp & Paper Company Limited, Isetan (Singapore) Limited, Oniontech Limited and AEM Holdings Ltd, which are public-listed companies on the Singapore Stock Exchange. Adrian Chan also serves on the Governing Council of the Singapore Institute of Directors and sits on the Listed Companies Committee of the Singapore International Chamber of Commerce. He has been elected to and serves on his second term of office on the Executive Council of the Association of Small and Medium Enterprises. In addition, he has been appointed the Honorary Legal Advisor to the Singapore Institute of Engineering Technologists. He holds a law degree from the National University of Singapore and is a member of the Singapore Academy of Law.

Appointed to the board of YSH on 17 August 2006, Adrian Chan is an Independent Director of YSH.

Key Management

Mr Steven Howard Nelson
Managing Director, Lion Century Properties Ltd

Steven Howard Nelson was born and educated in Australia where he obtained his TAFE (Technical And Further Education) building diploma. He started his career in 1971 as a building foreman and clerk of works with an established Sydney-based construction and development company in Australia. In 1975, he was transferred to the Australian Capital Territory where he was associated with city infrastructure development. During the 1980s, he worked in the Snowy Mountains of Australia for 5 years. He has experience in construction, civil engineering, site management, quantity survey, value engineering, architectural design, infrastructure development and project management in various hotels, commercial and high-rise office buildings, residential and governmental developments and infrastructure development projects.

Subsequently, Steven Howard Nelson set up his own project management, design development and consultancy company. In March 1995, he joined SPAPM as a Construction Manager for the Sand-River Golf Course development in Shenzhen, China. In August 1997, he was recruited to be the Project Manager for PHGE. In February 2001, he was appointed Managing Director of SPAPM as well as Project Director of PHGE. Since January 2007, he has been the Managing Director of Lion Century Properties Ltd.

Mr Lee Kam Seng
Chief Financial Officer, Yoma Strategic Holdings Ltd.

Lee Kam Seng is a Certified Public Accountant of Singapore, a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom and an Associate Member of the Institute of Chartered Secretaries and Administrators, United Kingdom. He started his career with the Port of Singapore Authority in 1974 and has over 30 years of experience in finance and accounting. In 1991 to 1994, he was appointed as the financial controller and company secretary of Singapore-listed Compact Metal Industries Ltd and subsequently went on to be the chief financial officer and company secretary of Yongnam Holdings Ltd, a construction firm listed on the SGX-ST, for 7 years. He has been the financial controller of MAE Engineering Ltd, a SGX-Sesdaq listed company, since 2001 and was subsequently promoted as Vice President (Corporate Services) until he was recruited to join YSIL as its chief financial officer in June 2005. He was appointed Chief Financial Officer of Yoma Strategic Holdings Ltd. in August 2006.

Mr Than Oo
Project Director, Orchid Garden

Than Oo was educated in Yangon Institute of Economics and obtained in 1971 his Bachelor Degree in Commerce majoring in Accounting & Auditing. A Registered Accountant, Than Oo started his career as a civil servant in the Finance Department of Myanmar Oil and Gas Enterprise for 25 years. He left the company as a Senior Accountant (Internal and General) and worked for a logging company for 4 years. He joined SPAPM in October 2002 as Financial Administrator cum Contract Manager. In May 2005, he was promoted to the position of Project Director of Orchid Gardens Project.

Mr Rui Filipe Guedes da Silva Barreto
Senior Architect Managing Director, SPA Design

Rui Filipe Guedes da Silva Barreto was born in Lisbon and currently resides in Yangon, Myanmar. Educated in Lisbon and Paris, he holds a number of university degrees and diplomas in interior design, architecture and urbanism.

He started his career in 1973 with Andrault etParat in Paris. Subsequently, he worked with various international firms, including AART International and SODETEG (Thompson Group) in Paris, for various master planning, landscaping, hospital, shopping complex, private residential, university, office complex and other projects in Europe, the Middle East and Africa. In 1997, he moved to Yangon to work with the Total group of France and in 2001, he started his own design firm, AR&CO. In May 2002, he joined SPA to establish SPA Design. Since December 2005, he has been the Managing Director of SPAPM and SPA Design.

Dr Sone Han
Managing Director of Myanmar V-Pile Co Ltd

Sone Han, a Myanmar national, obtained his bachelor's and master's degree from Rangoon (Yangon) Arts and Science University. In 1981, he completed his doctorate program, Dr. rer.nat, in Geophysics from Bergakademie Freiberg, Germany.

He started his career as an academic staff of the Geology department of the University of Yangon from 1970 until he retired as a Lecturer in 1989. Subsequently, he became the managing director of a geo-services company until he joined Myanmar V-Pile as a General Manager in 1997. Following SPA's acquisition of Myanmar V-Pile and its subsidiaries, he was appointed the Managing Director of the Myanmar V-Pile group in August 2000. Currently, he assumes a number of honorary positions, including Emeritus Lecturer in the University of Yangon, Honorary Lecturer in the Yangon Technological University and member of the World Seismic Safety Initiative, National Earthquake Committee and Myanmar Geosciences Society.

Daw Hla Waddy
Managing Director, Chinthe Concrete Co Ltd

Hla Waddy, a Myanmar national, obtained her Bachelor's Degree in Mathematics from the University of Rangoon (Yangon) in 1971.

She started her career in the civil service. After 26 years of civil service in various government departments, she retired from the Auditor-General's Office in 1986. Subsequently, she started her own trading business followed by her own construction firm, Depawaddy Construction Company, in 1991 where she acted as Managing Director. Depawaddy Construction Company was appointed as the main contractor in over 30 constructions projects in Myanmar, such as hospitals, hotels, shopping centres, apartments, as well as a major contractor for the development of FMI City. She was invited to join SPA in August 2004 to be the Managing Director of Chinthe Concrete. She participates actively in many non-profit associations, including acting as the General Secretary of the Myanmar Women Entrepreneur Association, an association of lady entrepreneurs in Myanmar.

corporate governance report

The Board of Directors (the "Board') of Yoma Strategic Holdings Ltd. (the "Company") strives to maintain high standards of corporate governance to ensure greater transparency and to protect the interests of shareholders.

The following report discloses the Company's corporate governance policies and practices for the financial period ended 31 March 2007, with specific references to the principles and guidelines found in the Code of Corporate Governance 2005 (the "Code").

BOARD MATTERS

Principle 1 – Board's Conduct of its Affairs

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 to achieve this and the management remains accountable to the Board.

The role of the Board includes:

(a) providing entrepreneurial leadership;

(b) setting strategic aims;

(c) ensuring the sufficiency of financial and human resources and effective risk controls required for the Company to meet its objectives;

(d) reviewing management performance

(e) setting the Company's values and standards; and

(f) ensuring that obligations to shareholders and others are understood and met.

To assist in the efficient discharge of its fiduciary duties, the Board had established three (3) Board Committees namely, the Audit Committee ("AC"), the Nominating Committee ("NC") and the Remuneration Committee ("RC"). Each Committee has its own terms of references to address their respective areas of focus.

All directors objectively take decisions in the interests of the Company. The management provides the Board with regular financial and operational updates and decisions on all key matters such as material acquisition and disposal of assets or undertakings and the release of the Company's results are made by the Board.

During the financial period, the Board met on seven (7) occasions to review and approve various matters relating to business strategies, activities and performance of the Group. Board meetings were 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. Ad–hoc Board meetings to discuss and approve material acquisition and disposal of assets and major undertakings of the Group were convened when the need arose.

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.

corporate governance report

The approval of the Board is required for any matters which is likely to have a material impact on the Group's operating units and/or financial positions as well as matters other than in the ordinary course of business.

The Company would provide a formal letter to each director upon his appointment, setting out clearly the director's duties and obligations. For first–time directors, the Company also provides training appropriate to the level of their previous experience in areas such as accounting, legal and industry–specific knowledge.

Being business leaders and/or professionals, the directors are aware of changes in the business environment, relevant new laws and investment risks.

The attendance of every member at Board meetings and various Committee meetings held during the reporting financial year is set out as follows:–

Name	Board Meeting Attendance	Audit Committee Meeting Attendance	Nominating Committee Meeting Attendance	Remuneration Committee Meeting Attendance
Total no. of meetings held from 1 July 2006 to 17 August 2006	2	2	NIL	NIL
Mr. Lim Sin Hoa *	2	NA	–	NA
Mr. Lim Sin Wan *	2	NA	NA	–
Mr. Lim Sin Hiok *	2	NA	NA	NA
Mr. Lim Sin Chin *	1	1	NA	NA
Mr. Lee Sze Leong *	2	2	–	–
Dr. Tan Eng Seng *	2	2	–	–

* Resigned on 17 August 2006.

Name	Board Meeting Attendance	Audit Committee Meeting Attendance	Nominating Committee Meeting Attendance	Remuneration Committee Meeting Attendance
Total no. of meetings held from 17 August 2006 to 31 March 2007	2	2	NIL	NIL
Mr. Serge Pun **	5	NA	NA	NA
Mr. John Estmond Strickland **	4	2	1	1
Mr. Kyi Aye **	5	2	NA	NA
Mr Adrian Chan Pengee **	5	2	NA	NA
Mr. Basil Chan **	5	2	NA	NA
Mr. Ng Fook Leong Philip **	5	NA	1	1
Mr. Wang Chien Sheng Ambrose **	4	NA	–	–

** Appointed on 17 August 2006.

Principle 2 – Board Composition and Balance

The Board presently comprises one (1) executive director, six (6) non–executive directors (four (4) of which are independent) and two (2) alternate directors to Mr. Kyi Aye and Mr. Wang Chien Sheng Ambrose respectively. Profiles of the directors are set out in the Board of Directors section of this Annual Report.

The compositions of the Board and Board Committees are set out below.

Name	Date of First Appointment / Last Re–election	Board	Audit Committee	Remuneration Committee	Nominating Committee
Mr. Serge Pun	17 August 2007	Chairman	–	–	–
Mr. John Estmond Strickland	17 August 2007	Member	Chairman	Member	Member
Mr. Kyi Aye	17 August 2007	Member	Member	–	–
Mr. Adrian Chan Pengee	17 August 2007	Member	Member	–	–
Mr. Basil Chan	17 August 2007	Member	Member	–	–
Mr. Ng Fook Leong Philip	17 August 2007	Member	–	Chairman	Chairman
Mr. Wang Chien Sheng Ambrose	17 August 2007	Member	–	Member	Member

There is a strong and independent element on the Board. More than one–third of the Board comprises independent directors.

The Board adopts the Code's definition of what constitutes an independent director in its review. The Code defines an "independent director" as one who has no relationship with the Company, its related companies 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 Board is of the view that no individual or small group of individuals dominate the Board's decision making process. The independence of each director is also reviewed annually by the NC.

Mr. Adrian Chan Pengee is a partner in Lee & Lee, a law firm. In the reverse take–over exercise involving the Company, Lee & Lee received more than S$200,000 for the period ended 31 March 2007 in legal fees. Notwithstanding the amount of these fees, the NC (on which Mr. Adrian Chan Pengee does not sit) and the Board (with Mr. Adrian Chan Pengee abstaining) still considers Mr. Adrian Chan Pengee to be an independent director as the legal services rendered by Lee & Lee to the Company in connection with the reverse take–over exercise have been rendered by partners and lawyers of Lee & Lee other than Mr. Adrian Chan Pengee and Lee & Lee is a partnership with more than thirty (30) partners, other than Mr. Adrian Chan Pengee. The Board believes that this would not result in Mr. Adrian Chan Pengee having a relationship that could interfere in the exercise of his independent business judgment with a view to the best interests of the Company.

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 proposals or, decisions, they bring independent judgment to bear on business activities and transactions involving conflicts of interests and other complexities.

The Board possesses the requisite experience and knowledge in various fields. As a group, the Board is skilled in core competencies such as law, accounting/finance, business/management, knowledge of the industry and strategic planning.

The Board is of the view that the current Board size is appropriate, taking into consideration the nature and scope of the Company's operations.

Principle 3 – Chairman and Chief Executive Officer

Mr. Serge Pun is the Chairman and the Chief Executive Officer of the Company.

The role of the Chairman includes:

(a) scheduling meetings that enable the Board to perform its duties in a responsible manner while, at the same time, not interfering with the flow of the Company's operations,

(b) being responsible for preparing meeting agendas; and

(c) exercising control over the quality, quantity and timeliness of the flow of information between the management and the Board.

As the Chairman and Chief Executive Officer are not separate roles, the Board has appointed Mr. John Estmond Strickland as Lead Independent Director to lead and co–ordinate the activities of the non–executive directors of the Company.

Principle 4 – Board Membership

The existing NC comprises:–

(a) Mr. Ng Fook Leong Philip (Chairman);

(b) Mr. John Estmond Strickland; and

(c) Mr. Wang Chien Sheng Ambrose.

The NC comprises three (3) non–executive directors, the majority of whom, including the Chairman are independent. The Chairman of the NC is not directly associated with a substantial shareholder of the Company within the meaning of the Code.

The NC has written terms of reference that describes the responsibilities of its members. The role of the NC includes:

(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 all nominations for the re–appointment of members of the Board at the annual general meeting having regard to the director's contribution and performance (e.g. attendance, preparedness, participation, candour and any other salient factors);

(c) ensuring that all directors submit themselves for re–nomination and re–election at regular intervals and at least every three (3) years in accordance with the Articles of Association of the Company;

(d) determining annually whether a director is independent, bearing in mind the circumstances set forth in the Code;

(e) 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;

(f) 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;

(g) 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;

(h) 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;

(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) considering the various disclosure requirements for the appointment of directors, particularly those required by regulatory bodies such as the SGX–ST; and

(l) undertaking such other duties as may be agreed to between itself and the Board.

At the completion of the acquisition of the Yoma Strategic Investments Ltd.'s Group on 17 August 2006, Messrs Lim Sin Hoa, Lim Sin Wan, Lim Sin Hiok, Lim Sin Chin, Lee Sze Leong and Dr. Tan Eng Seng resigned from the Board and Messrs Serge Pun, John Estmond Strickland, Kyi Aye, Adrian Chan Pengee, Basil Chan, Ng Fook Leong Philip and Wang Chien Sheng Ambrose were appointed to the Board.

In accordance with the Company's Articles of Association, every director is required to retire by rotation at least once in every three years and, may offer themselves for re–election. All newly appointed directors will have to retire at the next Annual General Meeting ("AGM") following their appointments.

At the forthcoming AGM, Mr. Adrian Chan Pengee will retire and seek re-election pursuant to Article 104 of the Company's Articles of Association. Mr. Wang Chien Sheng, Ambrose will also retire pursuant to Article 104 but will not seek re-election. In addition, 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 Annual General Meeting of the Company.

Notwithstanding the multiple board representations of some directors, the NC is satisfied that sufficient time and attention have been accorded by the directors to the affairs of the Company.

The NC has fulfilled its duty of making the requisite recommendations to the Board on all Board appointments and has also carried out its duty of re–nomination and re–election.

Principle 5 – Board Performance

The Board acknowledges the importance of a formal assessment of the Board performance and has adopted a formal system of evaluating Board performance as a whole and the contribution of each individual director. An evaluation of Board performance as a whole and contribution of each individual director had been carried out for the year by the current Board.

Principle 6 – Access to Information

The management regularly keeps the Board updated on the operational activities, future prospects, progress and development of the Company. Comprehensive quarterly financial reports are submitted to the Board for approval and release to the public including background or explanatory information.

The Board has separate and independent access to the Group's senior management and the Company Secretary. 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; and

(f) ensuring good information flows within the Board and its Committees and between senior management and non–executive directors.

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

The directors, in the furtherance of their duties, are allowed to take independent professional advice, if necessary, at the Company's expense.

REMUNERATION MATTERS

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

The existing RC comprises:

(a) Mr. Ng Fook Leong Philip (Chairman);

(b) Mr. John Estmond Strickland; and

(c) Mr. Wang Chien Sheng Ambrose.

The RC comprises three (3) non–executive directors, the majority of whom are independent, including the Chairman.

The RC has written terms of reference that describes the responsibilities of its members. The role of the RC includes:

(a) developing and maintaining a formal and transparent policy for the determination of directors' remuneration including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits–in–kind;

(b) recommending to the Board a framework of remuneration for directors and specific remuneration packages for each executive director and the chief executive officer, if the chief executive officer is not an executive officer;

(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 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 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.

During the year, the RC made recommendations regarding the remuneration package of the Chief Executive Officer and the framework of remuneration for directors and submitted them for endorsement by the entire Board. The RC's recommendations covered all aspects of remuneration, including but not limited to directors' fees, salaries and benefits in kind. No director is involved in deciding his own remuneration.

The Company has a service agreement with Mr. Serge Pun which commenced on 17 August 2006 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.

Independent and non–executive directors are paid directors' fees based on their contribution and responsibilities on the Board and Board committees. Directors' fees are subject to shareholders' approval at the forthcoming AGM.

RC recommended to the Board the payment of directors' fees of S$126,563 for the financial period ended 31 March 2007. This recommendation will be tabled for shareholders' approval at the forthcoming AGM.

The RC has taken into consideration the various disclosure requirements for directors' remuneration, particularly those required by regulatory bodies such as the SGX–ST, and ensures that there is adequate disclosure in the financial statements to ensure and enhance transparency between the Company and relevant interested parties.

The remuneration of directors for the financial period ended 31 March 2007 is tabularised below.

Name	Base / Fixed Salary	Variable Component or Bonuses	Directors' Fees	Benefits–in–kind, Allowances and Other Incentives	Total
	%	%	%	%	%
Below S$250,000					
Mr. Serge Pun	74	4	–	22	100
Mr. John Estmond Strickland	–	–	100	–	100
Mr. Kyi Aye	–	–	100	–	100
Mr. Adrian Chan Pengee	–	–	100	–	100
Mr. Basil Chan	–	–	100	–	100
Mr. Ng Fook Leong Philip	–	–	100	–	100
Mr. Wang Chien Sheng Ambrose	–	–	100	–	100
Mr. Lim Sin Hoa	–	–	–	–	–
Mr. Lim Sin Wan	–	–	–	–	–
Mr. Lim Sin Hiok	–	–	–	–	–
Mr. Lim Sin Chin	–	–	–	–	–
Mr. Lee Sze Leong	–	–	–	–	–
Dr. Tan Eng Seng	–	–	–	–	–

The total directors' fees for the period ended 31 March 2007 amounted to S$126,563 (FY2006: S$100,000).

For the financial period ended 31 March 2007, the top five (5) key executives of the Group are Lee Kam Seng, Steven Howard Nelson, Sone Han, Hla Waddy and Rui Filipe Guedes da Silva Barreto. The remuneration of each of these five (5) key executives did not exceed S$250,000.

There were also no employees who are immediate family members of a director or CEO, and whose remuneration exceeds S$150,000 during the year.

Presently, the Company does not have any share option scheme.

ACCOUNTIBILITY AND AUDIT

Principle 10 – Accountability

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. The management's role is to report to the Board the operational and financial performance of the Group by keeping the Board informed and updated with the provision of comprehensive financial and management reports.

Aside from adopting corporate governance practices in line with the spirit of the Code, the Company also observes obligations of continuing disclosure under 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 as reviewed by the AC to provide shareholders with comprehensive information and a balanced view on the Group's performance, position and prospects.

Principle 11 – Audit Committee

The existing AC comprises:–

(a) Mr. John Estmond Strickland (Chairman);

(b) Mr Adrian Chan Pengee;

(c) Mr. Basil Chan; and

(d) Mr. Kyi Aye.

The AC was established by the Board and comprises four (4) non–executive directors, the majority of whom, including the Chairman, are independent.

The AC has written terms of reference that describes the responsibilities of its members.

The role of the AC includes:

(a) appraising the effectiveness of the external auditors and reviewing the independence of the external auditors annually and making recommendations to the Board on the appointment and re–appointment of the external auditors and matters relating to resignation or dismissal of the auditors, including but not limited to approving remuneration and terms of engagement of the external auditors;

(b) ensuring that the internal audit function is adequately resourced, independent of the activities it audits and has appropriate standing within the Company;

(c) ensuring that a review of the effectiveness of the Company's material internal controls, including financial, operational and compliance controls, and risk management policies and systems, is conducted annually;

(d) reviewing the audit plans of the external auditors and the internal auditors, including the results of their review and evaluation of the adequacy and effectiveness of the system of internal audit controls;

(e) reviewing the annual consolidated financial statements and the external auditors' report on those financial statements, and discuss any significant adjustments, major risks areas, changes in accounting policies, compliance with Singapore Financial Reporting Standards, concerns and issues arising from their audits including any matters which the auditors may wish to discuss in the absence of management, where necessary, before submission to the Board for approval;

(f) reviewing the periodic consolidated financial statements comprising the profit and loss statements and the balance sheets and such other information required by the SGX–ST Listing Manual, before submission to the Board for approval;

(g) reviewing and discussing with the external auditors and the internal auditors any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the management's response;

(h) meeting with the external auditors and the internal auditors without the presence of the management at least once a year and to review the co–operation given by the management to them;

(i) reviewing arrangements by which staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters;

(j) reviewing, approving and ratifying any interested person transactions falling within the scope of Chapter 9 of the SGX–ST Listing Manual as may be amended from time to time and such other rules and regulations under the listing rules of the SGX–ST that may be applicable in relation to such matters from time to time;

(k) reviewing any potential conflicts of interest;

(l) undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC; and

(m) undertaking generally such other functions and duties as may be required by law, the SGX–ST Listing Manual or the Securities and Futures Act, Cap 289 and by such amendments made thereto from time to time;

The Board is of the view that the present members of the AC have sufficient accounting or related financial management expertise and experience to discharge their responsibilities as set out in its terms of reference.

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

During the financial period, the AC met with the management and the external auditors 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 independence of the external auditors. The external auditors also met with the AC members without the presence of the management. The AC has reviewed the volume of non–audit services to the Group by the external auditors and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The AC had recommended the re–appointment of Pannell Kerr Forster LLP as external auditors at the forthcoming AGM.

The Company had put in place a whistle–blowing policy. In order to promote an environment conducive to employees, in confidence, to raise or report genuine concerns about possible improprieties in matters of business activities, financial reporting or other matters they may encounter without fear of retaliatory action, employees can forward their concerns directly to the independent directors. The contact details of the independent directors were made known to the employees to raise their concern.

Principle 12 – Internal Controls
Principle 13 – Internal Audit

The Board acknowledges that it is responsible for maintaining a sound system of internal controls to safeguard shareholders' interest and maintain accountability of its assts. The AC reviews the adequacy of the Company's internal financial controls, operational and compliance controls, and risk management policies and systems established by the management. The external auditors review the internal controls of the Group and report these findings to the AC during its meetings. This gives the AC the opportunity to comment on the adequacy of internal controls and to reassure the Board that sufficient checks were in place. The AC is satisfied that the independence of the external auditors 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.

During the financial period, the Group has 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 has set up an Internal Audit Department to assist the AC to ensure that the Company maintains a sound system of internal controls by regular monitoring of key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the AC, and conducting regular audits of high–risk areas.

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

COMMUNICATIONS WITH SHAREHOLDERS

Principle 14 – Regular, Effective and Fair Communication with Shareholders
Principle 15 – Greater Shareholder Participation

The Company has in place a communication framework that disseminates timely and complete financial data, price–sensitive information and material developments to shareholders. Quarterly release of financial results and all other information are first announced on the website of the SGX–ST via SGXNET and then posted on the Company's website. The Company also issues press releases after the release of significant developments.

The Company also encourages active shareholder participation at its general meetings. Notices of meetings are published in the major newspapers. Reports or circulars of the general meetings are despatched to all shareholders by post. Shareholders who are unable to attend the general meetings may appoint up to two proxies each to attend and vote on their behalf as long as proxy forms are sent in advance.

Separate resolutions are passed at every general meeting on each distinct issue.

The Chairmen of the Board, Audit Committee, Nominating Committee, Remuneration Committee and the external auditors will be present at annual general meetings to address any relevant queries by shareholders.

INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy governing procedures for the identification, approval and monitoring of interested person transactions. All interested person transactions are subject to review by the AC.

The details of interested person transactions for the financial year ended 31 March 2007 are set out below.

Name of Interested Person	Aggregate value of all interested person transactions during FY2007 (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 FY2007 which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	S$'000	S$'000
Associates of Mr. Serge Pun:–		
(a) Purchases	264	–
(b) Sales	1,079	–
(c) Treasury transactions	699	–
(d) Investments	1,078	–
(e) Land development rights transactions	818	–

SECURITIES TRANSACTIONS

The Company has adopted an internal code on dealings in securities by its officers who have access to 'price sensitive' 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 anouncement of the Company's full year financial statements, and ending on the date of announcement of the relevant results.

MATERIAL CONTRACTS

On 22 February 2007, the Company had entered into a conditional sale and purchase agreement with Mr. Serge Pun, the CEO and a controlling shareholder of the Company, to acquire 52.86% of the entire and issued paid up capital of Plantation Resources Pte Ltd ("PRPL"), a company with the exclusive rights to manage, operate and sell the produce from a 100,000–acre plantation in Myanmar for the cultivation of Jutropha Curcas. The proposed acquisition is to be satisfied via the issue of new ordinary shares in the Company.

On 5 March 2007, the Company entered into two conditional sale and purchase agreements to acquire 75% of the entire issued and paid up capital of Winner Sight Investments Limited ("WSI") from Allied Win Group Limited ("AWG") and to acquire 100% of the issued and paid up capital of Delight Resources Limited ("DRL"), which owns 25% interest in WSI, from Mr. Serge Pun and SPA Syndication Management Ltd ("SPASML"). Mr. Serge Pun is the legal and beneficial owner of the entire issued and paid up capital of AWG and the legal owner of the entire issued and paid up capital of DRL, holding the DRL shares for the benefit of a syndication managed by SPASML. WSI owns the Zhong Bei Building located in Dalian, People's Republic of China. To fund this acquisition, the Group is proposing a one–for–one rights issue at S$0.12 per rights share that is expected to raise gross proceeds of up to S$51.1 million (before deducting expenses).

On 16 April 2007, the Company entered into an agreement with the vendors of DRL to cancel the earlier conditional sale and purchase agreement to acquire 100% of the issued and paid up capital of DRL. The WSI acquisition, if completed, will enable the Group to obtain 75% majority control over WSI which indirectly holds 100% interest in Zhong Bei Building, Dalian. This move will also allow the Group to preserve its resources to pursue other business opportunities by not proceeding with the DRL acquisition.

The acquisitions of PRPL and WSI, as well as the proposed one–for–one rights issue are subject to the approval of the relevant regulatory authorities and shareholders.

directors' report

The directors present their report to the members together with the audited financial statements of the Group for the financial year ended 31 March 2007 and the balance sheet of the Company as at 31 March 2007.

DIRECTORS

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

Serge Pun	(appointed on 17.8.2006)
Kyi Aye	(appointed on 17.8.2006)
Wang Chien Sheng, Ambrose	(appointed on 17.8.2006)
John Estmond Strickland	(appointed on 17.8.2006)
Ng Fook Leong, Philip	(appointed on 17.8.2006)
Basil Chan	(appointed on 17.8.2006)
Adrian Chan Pengee	(appointed on 17.8.2006)
Kyaw Paing	(appointed on 17.8.2006 as alternate to Kyi Aye)
Soe Win	(appointed on 17.8.2006 as alternate to Wang Chien Sheng, Ambrose)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS

Neither at the end of the financial year nor at any time during the financial year was the Company a party to any arrangement whose object is 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.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the shares or debentures of the Company as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act Cap.50, except as stated below:

	Holdings registered in name of Director or nominee		Holdings in which a Director is deemed to have an interest	
	At 1.4.2006 or date of appointment	At 31.3.2007	At 1.4.2006 or date of appointment	At 31.3.2007
	Number of ordinary shares		Number of ordinary shares	
<u>The Company</u>				
Serge Pun	–	242,082,215	–	47,198
Kyi Aye	–	–	–	–
Wang Chien Sheng, Ambrose	–	5,954,256	–	–
John Estmond Strickland	–	–	–	100,000
Ng Fook Leong Philip	–	–	–	–
Basil Chan	–	–	–	–
Adrian Chan Pengee	–	–	–	–
Kyaw Paing	–	293,726	–	–
Soe Win	–	848,000	–	–

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.

SHARE OPTIONS

No option to take up unissued shares of the Company was granted during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company whether granted before or during the financial year.

There were no unissued shares of the Company under the option at the end of the financial year.

AUDIT COMMITTEE

The Audit Committee ("AC") comprises four members, namely Mr John Estmond Strickland (Chairman), Mr Adrian Chan Pengee, Mr Basil Chan and Mr Kyi Aye. The AC comprises entirely of non–executive directors, the majority of whom, including the Chairman, are independent.

The AC performs the functions specified in the Singapore Companies Act, Cap 50 and the Listing Manual of the Singapore Exchange Securities Trading Limited. It meets with the external auditor, reviews the audit plan, the results of their examination and findings and their evaluation of the system of internal controls. The AC also reviews all non–audit services provided by the external auditors to ensure that such services will not affect the independence of the external auditors together with their appointment and re–appointment.

In addition, the AC reviews the quarterly and annual financial statements and all interested party transactions.

The AC also met up with the external auditors without the presence of management on the conclusion of the AC meeting to review the full year financial results for the year ended 31 March 2007.

Further information regarding the AC is disclosed in the Report on Corporate Governance.

AUDITORS

The auditors, Pannell Kerr Forster LLP, Certified Public Accountants, Singapore, have expressed their willingness to accept reappointment.

On behalf of the Board of Directors

SERGE PUN Director 29 June 2007	BASIL CHAN Director

statements by the directors

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 38 to 82 are drawn up so as to give a true and fair view of the state of affairs of the Company and 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.

On behalf of the Board of Directors

SERGE PUN
Director
29 June 2007

BASIL CHAN
Director

auditors' report

We have audited the accompanying financial statements of Yoma Strategic Holdings Ltd (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 38 to 82, which comprise the balance sheets of the Group and the Company as at 31 March 2007, the statements of changes in equity of the Group and the Company, the income statement and cash flow statement of the Group for the financial year then ended, and a summary of significant accounting policies and other explantory notes.

Directors' Responsibility for the Financial Statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap 50. (the "Act") and Singapore Financial Reporting Standards. The responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making acounting estimates that are reasonable in the circumstances.

Auditors' 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 as to whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain 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 the internal controls relevant to the entity's preparation and fair representation of the financial statements in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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,

a) 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 2007 and the results, changes in equity and cash flows of the Group for the financial year ended on that date, and

b) 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.

PANNELL KERR FORSTER LLP
Certified Public Accountants

Singapore
29 June 2007

consolidated income statement

For the Financial Year Ended 31 March 2007

	Note	The Group 2007 S$'000	The Group 2006 S$'000
Revenue	5	9,171	13,125
Cost of sales		(6,930)	(8,546)
Gross profit		2,241	4,579
Other operating income			
– Miscellaneous	6	93	37
Expenses			
– Sales and distribution cost		(40)	(37)
– Administrative expenses		(2,505)	(1,972)
– Bank charges and interest expenses		(3)	(5)
– Goodwill written off	7	(13,935)	–
(Loss) / Profit before taxation	8	(14,149)	2,602
Less: Taxation	9	(280)	(804)
(Loss) / profit after taxation		(14,429)	1,798
Attributable to:			
Equity holders of the Company		(14,712)	1,436
Minority interest		283	362
		(14,429)	1,798
(Loss) / Earnings per share (cents)	10		
– Basic		(5.21)	0.39
– Dilutive		(5.21)	0.39

The accompanying notes form an integral part of these financial statements

balance sheets

As at 31 March 2007

		The Group		The Company	
		31.3.2007	31.3.2006	31.3.2007	30.6.2006
	Note	S$'000	S$'000	S$'000	S$'000
CURRENT ASSETS					
Cash and bank balances	12	6,099	1,444	1,953	2,333
Trade receivables	13	1,029	2,086	–	–
Other receivables	14	897	199	458	513
Amount due from subsidiaries	15	–	–	2	–
Amount due from related parties	16	745	6,259	–	–
Inventories	17	1,087	620	–	–
Work–in–progress in excess of progress billing	18	365	1,212	–	–
		10,222	11,820	2,413	2,846
CURRENT LIABILITIES					
Trade payables	19	492	541	–	–
Other payables	20	1,619	661	692	929
Progress billing in excess of work–in–progress	18	43	517	–	–
Amount due to subsidiaries	21	–	–	2,825	–
Amount due to related parties	22	114	1,675	–	–
Provision for taxation	9(b)	2,571	2,680	–	229
		4,839	6,074	3,517	1,158
Net current assets		5,383	5,746	(1,104)	1,688
NON CURRENT ASSETS					
Investment in subsidiaries	23	–	–	103,239	–
Property, plant and equipment	24	1,866	1,926	114	–
Other investment	25	1,078	–	1,078	–
Intangible assets	26	1,515	1,524	–	–
		4,459	3,450	104,431	–
Land development rights	27	81,874	82,517	–	–
Net assets		91,716	91,713	103,327	1,688
SHAREHOLDERS' FUND					
Issued and paid up capital	28	104,359	89,319	104,359	1,119
Foreign currency translation reserve		(1,384)	(1,172)	–	–
(Accumulated loss) / Retained earnings		(12,095)	2,617	(1,032)	569
		90,880	90,764	103,327	1,688
Minority interest		836	949	–	–
		91,716	91,713	103,327	1,688

The accompanying notes form an integral part of these financial statements

consolidated statements of changes in equity

For the Financial Year Ended 31 March 2007

	Attributable to equity holders of the Company				
	Issued and paid–up capital	Foreign currency translation reserve	(Accumulated Loss)/ Retained earnings	Minority interest	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Balance as at 31 March 2005	89,319	(26)	1,181	456	90,930
Net profit for the financial year	–	–	1,436	362	1,798
Acquisition of sub–subsidiaries	–	–	–	375	375
Currency translation differences	–	(1,146)	–	(244)	(1,390)
Balance as at 31 March 2006	89,319	(1,172)	2,617	949	91,713
Net (loss)/profit for the financial year	–	–	(14,712)	283	(14,429)
Increase in share equity arising from reverse acquisition	15,040	–	–	–	15,040
Currency translation differences	–	(212)	–	(396)	(608)
Balance as at 31 March 2007	104,359	(1,384)	(12,095)	836	91,716

The accompanying notes form an integral part of these financial statements

consolidated cash flow statements

For the Financial Year Ended 31 March 2007

	Note	The Group 31.3.2007 S$'000	The Group 31.3.2006 S$'000
Cash flows used in operating activities			
(Loss) / Profit after taxation		(14,429)	1,798
Adjustments for:			
Tax		280	804
Depreciation of property, plant and equipment		359	348
Amortisation		9	20
Goodwill arising from reverse acquisition written off		13,935	–
Loss on disposal of property, plant and equipment		–	11
Unrealised translation difference		(366)	(1,464)
Bank charges and interest expenses		3	5
Interest income		(21)	(1)
Operating cash flows before movements in working capital		(230)	1,521
Working capital changes:			
Trade and other receivables		6,387	(795)
Inventories and work–in–progress		379	755
Land development rights		335	1,985
Trade and other payables		(2,637)	(1,833)
Cash generated from operations		4,234	1,633
Tax paid		(220)	(89)
Bank charges and interest expenses paid		(3)	(5)
Interest income received		21	1
Net cashflow from operating activities		4,032	1,540
Cash flows from investing activities			
Purchases of property, plant and equipment		(531)	(1,155)
Net cash acquired from subsidiary	11	2,333	(255)
Purchase of investment		(1,078)	–
Net cashflow from / (used in) investing activities		724	(1,410)
Net increase in cash and bank balances		4,756	130
Cash and cash equivalents at beginning of financial year		1,444	1,779
Effects of exchange rate changes on cash and cash equivalents		(101)	(465)
Cash and bank balances at end of financial year		6,099	1,444

The accompanying notes form an integral part of these financial statements

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

1. General information

Yoma Strategic Holdings Ltd ("the Company"), formerly known as Sea View Hotel Limted, is a limited company, which is incorporated and domiciled in Singapore. The Company is listed on the Singapore Exchange. The registered office and the principal place of business of the Company is at 80 Anson Road, #25–05 Fuji Xerox Towers, Singapore 079907.

The principal activity of the Company is that of an investment holding company. The principal activities of its subsidiaries are disclosed as per Note 23 to the financial statements.

2. Reverse acquisition undertaken by the Company

On 17 August 2006, the Company acquired the entire share capital of Yoma Strategic Investments Ltd ("YSIL" or "the Acquired Group), a company incorporated in Singapore for a consideration of S$102 million satisfied by the issuance of 184,581,976 ordinary shares in the capital of the Company at an issue price of S$0.5526 per share to the former shareholders of YSIL. Subsequently after the issuance of these shares, the Company completed a share split exercise to split each existing share into two shares.

Further to the allotment and issuance of these shares, the former shareholders of YSIL became the majority shareholders, controlling approximately 87% of the enlarged share capital of the Company at that time. Further, the Company's operations and executive management were substantially those of YSIL. Accordingly, the acquisition of the Acquired Group has been accounted for in the consolidated financial statements as a reverse acquisition as set out in Note 3.4. After the reverse acquisition, the Company changed its financial year end from 30 June to 31 March, with effect from the financial year ended 31 March 2007.

Based on reverse acquisition accounting, consolidated financial statements represent a continuation of the financial statements of the Acquired Group. Accordingly, the consolidated profit and loss account for the financial year ended 31 March 2007 comprises the income statement of the Acquired Group for the financial year ended 31 March 2007 and the income statement of the Company from 17 August 2006 (being the reverse acquisition date) to 31 March 2007. For year end announcement purposes, the Company has disclosed the post acquisition results of the Group as summarised below:

	S$'000
Revenue	6,713
Cost of sales	(5,168)
Gross profit	1,545
Other income	54
Operating expenses	(2,088)
Goodwill written off	(13,935)
Loss before taxation	(14,424)
Taxation	(81)
Loss after taxation	(14,505)
Minority interest	212
Loss attributable to the equity holders of the Company	(14,717)

2. Reverse acquisition undertaken by the Company (cont'd)

The amount recognised as issued equity in the consoliated financial statements is determined by adding to the issued equity of YSIL, the legal subsidiary immediately before the business combination, amounting to approximately S$15 million.

3. Significant accounting policies

3.1 Basis of preparation

The 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 accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement or complexity, are disclosed in Note 4.

(i) Adoption of new FRS and INT FRS

On 1 January 2006, the Group adopted the new or revised 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 relevant transitional provisions in the respective FRS and INT FRS.

The following are the FRS and INT FRS that are relevant to the Group:

FRS 19 (Amendment)	Employee Benefits
FRS 21 (Amendment)	The Effects of Changes in Foreign Exchange Rates
FRS 32 (Amendment)	Financial Instruments: Disclosures and Presentation
FRS 39 (Amendment)	Financial Instruments: Recognition and Measurement
INT FRS 104	Determining whether an Arrangement contains a Lease

The adoption of the above FRS or INT FRS did not result in any substantial changes to the Group's accounting policies.

3. Significant accounting policies (cont'd)

3.1 Basis of preparation (cont'd)

(ii) FRS and INT FRS not yet effective

The Group has not applied the following FRS and INT FRS that have been issued but not yet effective:

		Effective dates (Annual periods beginning on or after)
FRS 1 (Amendment)	Presentation of financial statements (Capital Disclosures)	1 January 2007
FRS 40	Investment Property	1 January 2007
FRS 107	Financial Instruments: Disclosure	1 January 2007
FRS 108	Operating Segments	1 January 2009
INT FRS 108	Scope of FRS 102, Share–based Payment	1 May 2006
INT FRS 109	Reassessment of Embedded Derivatives	1 June 2006
INT FRS 110	Interim Financial Reporting and Impairment	1 November 2006
INT FRS 111	Group and Treasury Share Transactions	1 March 2007
INT FRS 112	Service Concession Arrangements	1 January 2008

The Directors expect that the adoption of the above pronouncements will have no significant impact to the financial statements in the period of initial application, except for FRS 107 and the amendment to FRS 1 as indicated below.

FRS 107 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosure about credit risk, liquidity risk and market risk, including sensitivity analysis to market risks.

The amendment to FRS 1 requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.

The Group will apply FRS 107 and the amendment to FRS 1 from annual periods beginning 1 January 2007.

3.2 Revenue recognition

Revenue comprises the fair value of consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Revenue is presented, net of value–added tax, rebates and discounts, and after eliminating sales within the Group. Revenue is recognised as follows:

(i) Sales of goods

Revenue from the sale of goods (including land development rights) or delivery of services is recognised upon delivery of the goods or services to and/or transfer of possession or title to the customer. Dividend income from investments is recognised on the date the dividends are declared payable. Interest income from investments is recognised on an accrual basis.

3. Significant accounting policies (cont'd)

3.2 Revenue recognition (Cont'd)

(ii) Rendering of services

Revenue from services is recognised in the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed. Please refer to the paragraph "Construction Contracts" for the accounting policy for revenue from construction contracts.

(iii) Interest income

Interest income, including income arising from finance lease and other financial instruments, is recognised on a time–proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cashflow discounted at the original effective interst rate of the instrument, and continues amortising the discount as interest income on the recoverable amount.

(iv) Dividend income

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

(v) Rental income

Rental income from operating leases on investment properties and property, plant and equipment is recognised on a straight–line basis over the lease term.

3.3 Basis of consolidation

Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the 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.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets acquired, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus cost directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on the date of acquisition, irrespective of the extent of any minority interest.

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, intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, adjustments are made to the financial statements of the subsidiaries to ensure consistency of accounting policies with those of the Group.

3. Significant accounting policies (cont'd)

3.3 Basis of consolidation (Cont'd)

Minority interest is 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 Group. It is measured at the minority's share of the fair value of the subsidiaries' identifiable assets and liabilities at the date of acquisition by the Group and the minority's share of changes in equity since the date of acquisition, except when the losses applicable to the minority in the subsidiary exceed the minority interest in the equity of that subsidiary. In such cases, the excess and further losses applicable to the minority are attributed to the equity holders of the Company, unless the minority has a binding obligation to, and is able to, make good the losses. When that subsidiary subsequently reports profits, the profits applicable to the minority are attributed to the equity holders of the Company until the minority's share of losses previously absorbed by the equity holders of the Company has been recovered.

3.4 Reverse acquisition

The acquisition of the Acquired Group on 17 August 2006 as set out in Note 2 has been accounted for as reverse acquisition and the legal subsidiary (the Acquired Group) is considered the acquirer for accounting purposes. Accordingly, the Group's consolidated profit and loss account, balance sheet, statement of changes in equity and cash flow statement for the year ended 31 March 2006 are that of the Acquired Group's financial statements.

Since such consolidated financial statements represent a continuation of the financial statements of the Acquired Group:

(i) the assets and liabilities of the Acquired Group are recognised and measured in the consolidated balance sheet at their pre–combination carrying amounts;

(ii) the retained earnings and other equity balances recognised in those consolidated financial statements are the retained earnings and other equity balances of the Acquired Group immediately before the business combination;

(iii) the amount recognised as issued equity instruments in those consolidated financial statements is determined by adding to the issued equity of the Acquired Group immediately before the business combination the costs of the combination of the acquisition. However, the equity structure appearing in those consolidated financial statement (i.e. the number and type of equity instruments issued) reflect the equity structure of the legal parent (the Company), including the equity instruments issued by the Company to reflect the combination; and

(iv) the comparative figures presented in these consolidated financial statements are that of the Acquired Group.

Consolidated financial statements prepared following a reverse acquisition shall reflect the fair values of the assets, liabiltiies, and contingent liabilities of the legal parent (the Company). Therefore, the cost of the business combination for the acquisition is allocated to the identifiable assets, liabilities and contingent liabilities of the legal parent that satisfy the recognition criteria at their fair values as at 17 August 2006. The excess of the cost of the combination over the Acquired Group's interest in the net fair value of those items is recognised as goodwill.

Reverse acquisition accounting applies only in the consolidated financial statements. In the legal parent (the Company's) separate financial statements, the investment in the legal subsidiary (the Acquired Group) is accounted for at cost less accumulated impairment losses in the Company's balance sheet.

3. Significant accounting policies (cont'd)

3.5 Intangible assets

(i) Goodwill

Goodwill represents the excess of the cost of an acquisition of subsidiaries over the fair value at the date of acquisition of the Group's share of their identifiable net assets.

Negative goodwill represents the excess of the fair value at the date of acquisition of the Group's share of their identifiable net assets over the cost of an acquisition of subsidiares. Negative goodwill at the date of transition is adjusted directly to income statement.

Goodwill on acquisition of subsidiaries is included in as an item in intangible assets.

Goodwill on acquisition post 1 January 2005 is determined after deducting the Group's share of their identifiable net assets and contingent liabilities.

From 1 January 2005, goodwill recognised as intangible assets is tested at least annually for impairment and carried at cost less accumulated impairment losses.

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 of the business combination.

An impairment loss is recognised in the income statement when the carrying amount of CGU, including the goodwill, exceeds the recoverable amount of the CGU. Recoverable amount of the CGU is the higher of the CGU's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset

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

Impairment loss on goodwill is not reversed in the subsequent period.

(ii) Trademark and licences

Acquired trademarks and licences are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight–line method to allocate the cost of trademarks and licenses over their estimated useful lives of 10 years.

3. Significant accounting policies (cont'd)

3.6 Property, plant and equipment

All property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are stated at cost or valuation less accumulated depreciation and any accumulated impairment losses. Land and buidlings are subsequently revalued on an asset–by–asset basis, to their fair values. Fair value is determined from market–based evidence by appraisal that is undertaken by professionally qualified valuers. Revaluations are made annually to ensure that their carrying amount does not differ materially from their fair value at the balance sheet date.

When an asset is revalued, any increase in the carrying amount is credited directly to the asset revaluation reserve. However, the increase is recognised in the income statement to the extent that it reverses a revaluation decrease of the same asset previously recognised in the income statement. However, the decrease is debited directly to the asset revaluation reserve to the extent of any credit balance exisiting in the reserve in respect of that asset.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset, is transferred directly to accumulated profits on retirement or disposal of the asset.

Depreciation is calculated on a straight–line basis to write off the cost of property, plant and equipment over their expected useful lives. The estimated useful lives are as follows:

Office building	20 years
Machinery and equipment	10 years
Leasehold	10 years
Renovation	3 years
Furniture and office equipment	5 years
Motor vehicles	5 years
Computers	4 years
Tools and equipment	3 years
Workshop	10 years

Repair and maintenance expenses are taken to the income statement during the financial period in which they are incurred. The cost of major renovations and restorations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group, and depreciated over the remaining useful life of the asset.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. Gains or losses on disposals are determined by comparing proceeds with the carrying amount and are included in profit/(loss) from operations.

The residual values, useful life and depreciation method are reviewed at each financial year–end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economics embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement in the year the asset is derecognised.

3. Significant accounting policies (cont'd)

3.7 Land development rights

Land development rights are stated at amounts as valued by Jones Lang LaSalle on 22 March 2005, after making certain adjustments (immaterial in amount) due to timing differences. The inventory of land development rights unsold at the end of each financial year is carried forward in the balance sheet at the lower of cost (which is the amount per square ft. valued by Jones Lang LaSalle on 22 March 2005) and net realisable value. Land development rights on plots sold are transferred at their carrying value to income statement.

3.8 Investments in subsidiaries

Investments in subsidiaries are stated at cost less accumulated impairment losses [Note 3.9] in the Company's balance sheet. On the disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amount of the investment is taken to the income statement.

3.9 Impairment of non–financial assets

(i) Goodwill

Goodwill is tested annually for impairment, as well as when there is any 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. 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 in the income statement and is not reversed in a subsequent period.

(ii) Intangibles assets, Property, plant and equipment and investment in subsidiaries

Intangible assets, property, plant and equipment and investments in subsidiaries are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value–in–use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount 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, recoverable amount is determined for the CGU to which the asset belongs.

3. Significant accounting policies (cont'd)

3.9 Impairment of non–financial assets (cont'd)

(ii) Intangibles assets, Property, plant and equipment and investment in subsidiaries (cont'd)

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.

The impairment loss is recognised in the income statement unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. Please refer to the paragraph "Property, plant and equipment" for the treatment of revaluation decrease.

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 an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss for an asset other than goodwill is recognised in the income statement, 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 revlaued asset was previously recognised in the income statement, a reversal of that impairment is also recognised in the income statement.

3.10 Financial assets

Financial assets within the scope of FRS 39 are classified as either financial assets at fair value through profit or loss, loans and receivables, held–to–maturity investments, or available–for–sale financial assets, as appropriate. Financial assets on the balance sheet when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. The Company determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re–evaluates this designation at each financial year end.

(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. These arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and receivables consist of cash and cash equivalents and trade and other receivables. They are included in current assets, except those maturing more than 12 months after balance sheet date, which are classified as non–current assets.

Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

3. Significant accounting policies (cont'd)

3.10 Financial assets (cont'd)

(ii) Available–for–sale financial assets

Available–for–sale financial assets are non–derivative financial assets that are either designated as available–for–sale or not classified in any of the other categories. After initial recognition, available–for–sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement.

3.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution of the item sold. Allowance for obsolete, slow–moving or defective inventories is made where necessary.

3.12 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the transactions. The amount of the allowance is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance is recognised in the income statement.

3.13 Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions to their ultimate purpose or use.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable those costs will be recoverable. Contract costs are recognised when incurred. When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised by using the stage of completion method. The stage of completion method is measured by reference to the contract costs incurred to date to the estimated total costs for the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Costs incurred during the financial year in connection with future activity on a contract are excluded from costs incurred to date when determining the stage of completion of a contract. Such costs are shown as construction contract work–in–progress. The aggregate of the costs incurred and the profit or loss recognised on each contract is compared against the progress billings up to the financial year–end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as a recoverable under "work–in–progress in excess of progress billing". Where progress billings exceed costs incurred and recognised profits (less recognised losses), the balance is shown as a liability under "progress billing in excess of work–in–progress".

3. Significant accounting policies (cont'd)

3.14 Trade payables

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

3.15 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted (by the balance sheet date) in countries where the subsidiaries operate.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investment in subsidiaries except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

3.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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.

3. Significant accounting policies (cont'd)

3.17 Financial Leases

Finance leases, which effectively transfer to the Group substantially all the risk and rewards incidental to ownership of the leased item, are capitalised at amounts equal, at the inception of the lease, to the fair value of the leased item or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. Finance charges are charged directly to the income statement.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

3.18 Operating Leases

Where a significant portion of the risks and rewards of ownership are retained by the lessor, the leases are classified as operating leases. Payments made under operating leases are taken to the income statement on a straight line basis over the period of the lease.

3.19 Employee leave entitlement

(i) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(ii) Defined contribution plans

Defined contribution plans are post–employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund, and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Company's contribution to defined contribution plans are recognised in the financial year to which they relate.

3.20 Foreign currency translation

(i) 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 operations ("functional currency"). The financial statements are presented in Singapore Dollar, which is the Company's functional currency.

3. Significant accounting policies (cont'd)

3.20 Foreign currency translation (cont'd)

(ii) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting 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 the income statement.

(iii) 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:

– Assets and liabiliites are translated at the closing rates at the date of the balance sheet;

– 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

– All resulting exchange differences are taken to the currency translation reserve within equity.

The exchange rates used for translation are as follows:

For financial years ended	Rates	Kyats to USD	USD to SGD
31 March 2006	Year end rate	1,250	1.6200
	Average rate	1,116	1.6630
31 March 2007	Year end rate	1,272	1.5175
	Average rate	1,309	1.5651

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

(iv) Consolidation adjustments

On consolidation, currency translation differences arising from the net investment in foreign operations, borrowing in foreign currencies, and other currency instruments designated as hedges of such investments, are taken to the currency translation reserve. When a foreign operation is sold, such currency translation differences recorded in the currency translation reserve are recognised in the income statement as part of the gain or loss on sale.

3. Significant accounting policies (cont'd)

3.21 Segment reporting

A business segment is a distinguishable component of the Group engaged in providing products or services that are subject to risks and returns that are different from those of the other business segments. A geographical segment is a distinguishable component of the Group engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

3.22 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits with financial institutions and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

4. Critical accounting estimates, assumptions and judgements

Estimates and judgements 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) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Foreign currency translation

The Group's business is exposed to foreign exchange risk arising from the volatility of the Myanmar Kyats against the US dollar and other major foreign hard currencies. The Group performs a translation (monthly) of its Kyat denominated assets and liabilities to US dollar equivalents based on estimated Kyat to US dollar unofficial exchange rates and accounts for any gains or losses in the income statement arising on such translations.

(ii) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment. The recoverable amounts of cash–generating units have been determined based on value–in–use calculations. These calculations require the use of estimates.

(iii) Land development rights (LDRs)

The Group tests periodically (minimum once a year at year end) the fair value of unsold LDRs in accordance with FRS 2 (revised 2004) to ensure that the value carried in the balance sheet is at the lower of cost (as revalued by Jones Lang Lasalle in March 2005) and net realisable value. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution of the item sold.

4. Critical accounting estimates, assumptions and judgements (cont'd)

a) Critical accounting estimates and assumptions (cont'd)

(iv) Construction and property development contracts

The Group recognises contract revenue to the extent of contract costs incurred where it is probable those costs (based on the stage of completion method) will be recoverable. The stage of completion is measured by reference to the value of work performed to the estimated total costs (including costs to complete) of the projects.

b) Critical judgements in applying the entity's accounting policies

(i) Impairment of available–for–sale financial assets

The Group follows the guidance of FRS 39 (revised 2006) on determining when a financial asset is impaired. This determination requires significant judgement. The Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near–term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

(ii) Income taxes

The Group is subject to income taxes in Singapore and Myanmar jurisdictions. Significant judgment is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. 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.

5. Revenue

	The Group	
	2007	**2006**
	S$'000	**S$'000**
Land and buildings	1,830	4,436
Construction	5,993	6,348
Professional services	1,348	2,341
	9,171	13,125

6. Other operating income

	The Group	
	2007	2006
	S$'000	S$'000
Interest income	21	1
Sundry income	72	36
	93	37

7. Goodwill written off

	The Group	
	2007	2006
	S$'000	S$'000
Goodwill arising from reverse acquisition written off	(13,935)	–

8. (Loss) / Profit before taxation

	The Group	
	2007	2006
	S$'000	S$'000
(Loss) / Profit before taxation is arrived at after charging:		
Depreciation of property, plant and equipment	359	348
Directors' fees	190	170
Director's remuneration	118	–
Exchange loss/(gain)	112	(43)
Legal and secretarial fees paid to a firm in which a director is a partner	42	–
Employer's contribution to defined contribution plans including Central Provident Fund	15	9
Staff cost	519	724

9. Taxation

(a) Tax expense

	The Group 2007 S$'000	The Group 2006 S$'000
Tax expense attributable to profits made up of:		
Current income tax for current financial year	470	804
Current income tax overprovided in preceding financial years	(190)	–
	280	804

The income tax expense/(income) on (loss)/profit before tax differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	The Group 2007 S$'000	The Group 2006 S$'000
(Loss) / Profit before taxation	(14,149)	2,602
Tax calculated at a tax rate of 18% (2006: 20%)	(2,547)	520
Expenses not deductible for tax purposes	2,510	2
Singapore statutory stepped income exemption	–	–
Effect of different tax rates of subsidiaries	202	268
Income of subsidiary not subject to tax	–	(79)
Deferred tax assets not recognised	305	93
Overprovision in preceding financial years	(190)	–
Tax charge	280	804

(b) Movements in the provision for tax in the balance sheet are as follows:–

	The Group		The Company	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
At beginning of financial year / period	2,680	2,391	229	–
Arising from acquisition of sub–subsidiaries	–	467	–	–
Current income tax expense	280	804	(229)	–
Income tax paid	(219)	(89)	–	–
Exchange difference	(170)	(893)	–	–
At end of financial year / period	2,571	2,680	–	–

10. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. The following reflects the income statement and share data used in the basic earnings per share computations for the years ended 31 March:

	The Group	
	2007	2006
	S$'000	S$'000
Net profit attributable to ordinary shareholders for basic earnings per share	(14,712)	1,436
Weighted average number of ordinary shares applicable to basic earnings per share	282,191,930	369,163,952

Due to the reverse acquisition during the current financial year, the number of ordinary shares outstanding from the beginning of the financial year to the acquisition date for purpose of calculating the weighted average number of ordinary shares is deemed to be the number of ordinary shares issued by YSHL to the owners of the legal subsidiary, YSIL, and the number of ordinary shares outstanding from the acquisition date to the end of financial year is the actual number of ordinary shares of YSHL outstanding during the period.

The earnings per share disclosed for the comparative period before the acquisition date (i.e. 2006) is calculated by dividing the profit of YSIL Group by the number of ordinary shares issued by YSHL to the owner of the legal subsidiary, YSIL, in the reverse acquisition.

	The Group	
	2007	2006
	S$'000	S$'000
(Loss) / Earnings per share (cents)	(5.21)	0.39

There were no potential dilutive ordinary shares existing during each of the financial years.

11. Acquisition of subsidiary

Financial year ended 31 March 2007:–

On 17 August 2006, the company acquired 100% of the issued share capital of Yoma Strategic Investments Ltd. ("YSIL")(Note 2). This transaction has been accounted for as reverse acquisition under FRS 103.

As described in Note 2 to the financial statements, YSIL became the parent of the enlarged group for accounting purpose, and Yoma Strategic Holdings Ltd ("YSHL")("the Acquiree") became the acquiree. The net assets of the Acquiree acquired in the transaction, and the goodwill arising, are as follows:

	Acquiree's fair value before combination S$'000
The aggregate effects of acquisition of subsidiaries are as follows:–	
Cash and bank balances	2,314
Other receivables	3,649
Total assets	5,963
Other payables	(4,858)
Total liabilities	(4,858)
Net identifiable assets	1,105
Less: Minority interest	–
Net identifiable assets purchased	1,105
Goodwill	13,935
Total consideration *	15,040
Cash outflow arising from acquisition of subsidiaries *	–
Cash and bank balances in subsidiaries acquired	2,333
Net cash inflow from acquisition of subsidiaries	2,333

* The consideration was based on YSHL's entire share capital of 22,092,351 ordinary shares before the reverse acquisition using fair value of S$0.68 per share.

11. Acquisition of subsidiary (cont'd)

Financial year ended 31 March 2006:–

During the financial year, the Company acquired a subsidiary, First Myanmar Construction Co. Ltd and the aggregate effects of acquisition of this subsidiary is as follows:–

	Acquiree's fair value before combination S$'000
Amount due from related parties	956
Other receivables	9
Property, plant and equipment	7
Total assets	972
Trade payables	(7)
Other payables	(33)
Income tax provision	(467)
Amount due to related parties	(1)
Total liabilities	(508)
Net identifiable assets	464
Less: Minority interest	(209)
Net identifiable assets purchased	255
Goodwill	–
Total consideration	255
Cash outflow arising from acquisition of subsidiaries	(255)
Cash and cash equivalent in subsidiaries acquired	–
Net cash outflow from acquisition of subsidiaries	(255)

12. Cash and bank balances

	The Group		The Company	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
Cash at bank and on hand	6,099	1,444	1,953	2,333

At balance sheet date, the carrying amounts of cash and bank balances approximated their fair values.

Cash at bank and on hand at the balance sheet date were denominated in the following currencies:

	The Group		The Company	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
Singapore Dollar	2,026	170	525	2,333
United States Dollar	268	4	–	–
Myanmar Kyats	3,805	1,270	1,428	–
	6,099	1,444	1,953	2,333

13. Trade receivables

	The Group	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Trade receivables	1,103	2,086
Less: Provision for doubtful debts	(74)	–
Trade receivables – net	1,029	2,086

At balance sheet date, the carrying amounts of current trade receivables approximated their fair values.

Bad debts written off on trade receivables recognised as an expense and included in "Administrative expenses" amounted to S$180,015 (2006: S$33,885)

13. Trade receivables (cont'd)

Trade receivables at the balance sheet date were denominated in the following currencies:

	The Group	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Myanmar Kyats	1,029	2,086
	1,029	2,086

14. Other receivables

	The Group		The Company	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
Other receivables	324	47	167	16
Deferred expenditure	260	65	260	–
Deposits	83	60	8	–
Prepayments	230	27	23	497
	897	199	458	513

At balance sheet date, the carrying amounts of other receivables approximated their fair values.

Other receivables were denominated in the following currencies at balance sheet date:

	The Group		The Company	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
Singapore Dollar	525	94	458	513
Myanmar Kyats	372	105	–	–
	897	199	458	513

15. Amount due from subsidiaries

	The Company	
	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
Amount due from subsidiaries	2	–

At balance sheet date, the carrying amounts of amount due from subsidiaries approximated their fair values.

The amount due from subsidiaries are non–trade in nature, unsecured, interest–free and are receivable upon demand.

Amount due from subsidiaries were denominated in the following currencies at balance sheet date:

	The Company	
	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
Myanmar Kyats	2	–

16. Amount due from related parties

	The Goup	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Amount due from related parties	745	6,259

At balance sheet date, the carrying amounts of amount due from related parties approximated their fair values.

For the purpose of these financial statements, parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to control or common significant influence.

The amount due from related parties are unsecured, interest–free and are receivable upon demand.

16. Amount due from related parties (cont'd)

Amount due from related parties were denominated in the following currencies at balance sheet date:

	The Goup	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Myanmar Kyats	745	6,259

17. Inventories

	The Group	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Raw materials, at cost	98	109
Finished goods, at cost	236	341
Other items, at cost	753	170
	1,087	620

There are no inventories written off during the financial year.

18. Work–in–progress

	The Group	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Construction costs	1,650	4,416
Attributable profit	713	1,769
	2,363	6,185
Progress billings received or receivable	(2,041)	(5,490)
	322	695
Comprising:		
Work–in–progress in excess of progress billing	365	1,212
Progress billing in excess of work–in–progress	(43)	(517)
	322	695

This represents costs, such as material costs, direct labour and relevant overheads, that were incurred for construction and services contracts that are still ongoing at balance sheet date.

19. Trade payables

	The Goup	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Trade payables	492	541

At the balance sheet date, the carrying amounts of trade payables approximated their fair values.

Trade payables were denominated in the following currencies at the balance sheet date:

	The Goup	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Myanmar Kyats	492	541

20. Other payables

	The Group		The Company	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
Sundry payables	731	43	566	918
Accrued expenses	888	618	126	11
	1,619	661	692	929

At balance sheet date, the carrying amounts of other payables approximated their fair values.

Other payables were denominated in the following currencies at the balance sheet date:

	The Group		The Company	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
Singapore Dollar	801	303	692	929
United States Dollars	–	4	–	–
Myanmar Kyats	818	354	–	–
	1,619	661	692	929

21. Amount due to subsidiaries

	The Company	
	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
Amount due from subsidiaries	2,825	–

At balance sheet date, the carrying amounts of amount due to subsidiaries approximated their fair values.

The amount due to subsidiaries are non–trade in nature, unsecured, interest–free and are repayable upon demand.

21. Amount due to subsidiaries (cont'd)

Amount due to subsidiaries were denominated in the following currencies at balance sheet date:

	The Company	
	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
Singapore Dollar	2,825	–

22. Amount due to related parties

	The Goup	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Amount due to related parties	114	1,675

At balance sheet date, the carrying amounts of amount due to related parties approximated their fair values.

For the purpose of these financial statements, parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to control or common significant influence.

The amount due to related parties are unsecured, interest–free and are repayable upon demand.

Amount due to related parties were denominated in the following currencies at balance sheet date:

	The Goup	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Myanmar Kyats	114	1,675

23. Investment in subsidiaries

	The Company	
	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
Investment at cost	103,239	–

Details of subsidiaries held by the Company are as follows:

	Name of subsidiaries	Principal activities	Country of incorporation	Equity holdings at 2006 and 2007
Held by the Company				
(1)	Yoma Strategic Investments Ltd	Investment holding	Singapore	100%
Subsidiaries of Yoma Strategic Investments Ltd				
(1)	Lion Century Properties Ltd	Property development rights holding	British Virgin Islands	100%
(1)	Yoma Construction Industries Pte Ltd	Investment holding	Singapore	100%
(1)	Yoma Development Group Pte Ltd	Investment holding	Singapore	100%
Subsidiaries of Yoma Construction Industries Pte Ltd				
(2)	Myanmar V–Pile Co Ltd	Pilling and construction services	Myanmar	55%
(2)	Chinthe Concrete Co Ltd	Ready mix concrete production	Myanmar	55%
(2)	First Myanmar Construction Co Ltd	Super–structure construction works	Myanmar	55%

23. Investment in subsidiaries (cont'd)

	Name of subsidiaries	Principal activities	Country of incorporation	Equity holdings at 2006 and 2007
Subsidiaries of Yoma Development Group Pte Ltd				
(2)	SPA Project Management Ltd	Property development, management and architectural and design services	Myanmar	100%
(3)	SPA Project Management Pte Ltd	Project Management services	Singapore	100%
(3)	SPA Design Pte Ltd	Design services	Singapore	100%
Subsidiary of Myanmar V–Pile Co Ltd				
(2)	Myanmar Piling Co. Ltd	Piling and construction services	Myanmar	33%

(1) Audited by Pannell Kerr Forster LLP, Singapore.

(2) Audited by Daw Myint Myint Toe, Myanmar.

(3) Based on management accounts as the companies were incorporated on 12 March 2007.

24. Property, plant and equipment

The Group	Buildings S$'000	Machinery & equipment S$'000	Leasehold improvements S$'000	Furniture & office equipment S$'000	Motor vehicles S$'000	Computers S$'000	Tools & equipment S$'000	Workshop S$'000	Total S$'000
Cost									
At 1 April 2006	167	1,957	24	205	366	173	94	111	3,097
Additions	1	324	4	34	138	24	6	–	531
Disposals	(59)	(39)	–	(24)	–	(1)	(6)	(3)	(132)
Exchange difference	(13)	(126)	(10)	(8)	(29)	(15)	(34)	(9)	(244)
As at 31 March 2007	96	2,116	18	207	475	181	60	99	3,252
Accumulated depreciation									
At 1 April 2006	66	603	4	93	239	103	61	3	1,172
Charge for the financial year	19	171	2	51	68	36	8	4	359
Disposals	(1)	(30)	–	(15)	–	(3)	(6)	–	(55)
Exchange difference	(5)	(38)	(4)	(4)	(19)	(8)	(12)	–	(90)
As at 31 March 2007	79	706	2	125	288	128	51	7	1,386
Net book value									
As at 31 March 2007	17	1,410	16	82	187	53	9	92	1,866

24. **Property, plant and equipment (cont'd)**

The Group	Buildings S$'000	Machinery & equipment S$'000	Leasehold improvements S$'000	Furniture & office equipment S$'000	Motor vehicles S$'000	Computers S$'000	Tools & equipment S$'000	Workshop S$'000	Total S$'000
Cost									
At 1 April 2005	140	1,537	15	193	475	209	74	–	2,643
Arising from acquisition of sub–subsidiaries	–	–	–	–	–	–	43	–	43
Additions	66	854	11	63	20	22	8	111	1,155
Disposals	–	(15)	–	(2)	–	(1)	–	–	(18)
Exchange difference	(38)	(417)	(2)	(50)	(129)	(57)	(32)	–	(725)
As at 31 March 2006	168	1,959	24	204	366	173	93	111	3,098
Accumulated depreciation									
At 1 April 2005	61	665	1	84	234	94	26	–	1,165
Arising from acquisition of sub–subsidiaries	–	–	–	–	–	–	36	–	36
Charge for the financial year	24	145	4	36	78	39	18	4	348
Disposals	–	(7)	–	–	–	–	–	–	(7)
Exchange difference	(20)	(200)	–	(27)	(74)	(30)	(19)	–	(370)
As at 31 March 2006	65	603	5	93	238	103	61	4	1,172
Net book value									
As at 31 March 2006	103	1,356	19	111	128	70	32	107	1,926

24. Property, plant and equipment (cont'd)

The Company	Motor Vehicle S$'000	Furniture and office equipment S$'000	Computer S$'000	Total S$'000
Cost				
As at 1 July 2006	–	–	–	–
Additions	109	5	6	120
As at 31 March 2007	109	5	6	120
Accumulated depreciation				
As at 1 July 2006	–	–	–	–
Charge for the financial year	4	1	1	6
As at 31 March 2007	4	1	1	6
Net book value				
As at 31 March 2007	105	4	5	114

The Company	Furniture and office equipment S$'000	Total S$'000
Cost		
As at 1 July 2005	79	79
Additions	–	–
Disposals	(79)	(79)
As at 30 June 2006	–	–
Accumulated depreciation		
As at 1 July 2005	48	48
Charge for the financial period	4	4
Disposals	(52)	(52)
As at 30 June 2006	–	–
Net book value		
As at 30 June 2006	–	–

25. Other investment

	The Goup	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Unquoted investment at cost	1,078	–

This amount comprises an investment in SPA China Syndication No.1. (the "Syndication").

The Syndication has a 100% beneficial interest in Delight Result Limited, which holds a 25% equity stake in Winner Sight Investments Limited ("WSI"). WSI, through its wholly–owned subsidiary SPA (Dalian) Property Development Co. Ltd, owns the Zhong Bei Building in Dalian, PRC. As the Syndication is a private fund, no fair market value is available.

26. Intangible assets

	The Group	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
V–Pile Technology, at cost	98	98
Accumulated amortisation	(79)	(70)
	19	28
Goodwill arising from consolidation	15,431	1,496
Goodwill arising from reverse acquisition written off	(13,935)	–
	1,496	1,496
	1,515	1,524

Impairment tests for goodwill

Goodwill acquired through business combination has been allocated to the construction cash-generating unit (CGU), which is a reportable segment, for impairment testing.

The recoverable amount of a CGU was determined based on value–in–use calculations. Cash flow projections used in these calculations were based on financial budgets approved by management covering a five–year period. Assumptions for the budgets were based on past performance and expectations of the market development.

26. Intangible assets (cont'd)

	Construction
Key assumptions used for value-in-use calculations:	
[1]Growth rate	10%
[2]Discount rate	20%

[1]Growth rate used in the cash flow projections of the CGU

[2]Pre-tax discount rate applied to the pre-tax cash flow projections

27. Land development rights

	The Group	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Beginning balance	82,517	84,502
Allocated to income statement for the financial year	(643)	(1,985)
Ending balance	81,874	82,517
Represented by:–		
Pun Hlaing Golf Estate (PHGE)	64,045	64,285
FMI City (Orchid Garden)	7,301	7,704
Evergreen Condominium	10,528	10,528
	81,874	82,517

28. Share capital

	The Company	
	As at 31.3.2007 S$'000	As at 30.6.2006 S$'000
22,092,351 ordinary shares	1,119	22,092
Reduction of share capital by way of returning capital to shareholders	–	(20,988)
Transfer from share premium in line with the Companies (Amendment) Act 2005	–	15
Issue of 190,816,140 ordinary shares	105,445	–
		1,119
Share split of each exisiting share into 2 shares:		
425,816,982 ordinary shares	106,564	–
Share issue expenses	(2,205)	–
	104,359	1,119

190,816,140 ordinary shares were issued for the acquisition of the entire issued and paid up capital of Yoma Strategic Investments Ltd. as well as expenses relating to the acquisition.

29. Financial risk management objectives and policies

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency/political risk, exchange control risk, credit risk and liquidity risk. The Group does not hold or issue derivative financial instruments for trading purposes. The Group's policies in managing these risks are summarised below.

Interest rate risk

The Group is not exposed to significant interest rate risk as it has no significant external borrowings and it relies on cash generated from its normal business activities to fund its operations. The Group maintains sufficient cash balances to provide flexibility in meeting its day–to–day funding requirement.

Foreign currency / Political risk

The Group's business is exposed to foreign exchange risk due to the volatility of the Myanmar Kyats against major foreign hard currencies. The Group's business is also exposed to political risks due to the current political situation in Myanmar.

Exchange control risk

The Group's business is exposed to Myanmar Exchange Control risks due to the current restriction on remittance of foreign currency outside of Myanmar.

29. Financial risk management objectives and policies (cont'd)

Credit risk

Credit risk arises from the possibility that customers may not be able to settle obligations to the Group within the normal terms. It is the Group's policy to provide credit terms to creditworthy customers. These debts are continually monitored (if any) and therefore, the Group does not expect to incur any credit losses.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

30. Fair value of financial instruments

The carrying amounts of the following financial assets and liabilities approximate their fair values: cash and bank balances, trade receivables, amounts due from/to related parties, other current assets, trade and other payables.

31. Related party transactions

(a) The following transactions took place between the Group and related parties on terms agreed between the parties during the financial year:

	The Group	
	2007 S$'000	2006 S$'000
Sales to related parties	1,079	1,396
Purchases from related parties	264	1,198
Treasury transactions *	699	1,186
Investments	1,078	–
Land development rights transactions	818	2,493

* Treasury transactions refers to cash deposits placed with a related party.

31. Related party transactions (cont'd)

(b) Compensation of key management personnel

	The Group	
	2007	2006
	S$'000	S$'000
Key management personnel's remuneration	286	318

Included in key management personnel's remuneration are contributions to defined contribution schemes of S$5,670 (2006: S$4,911)

	The Group	
	2007	2006
Number of directors of the Company during the year in remuneration bands:		
Below S$250,000:		
– Resigned during the financial year	6	–
– Holding office as at end of the financial year	7	5

(c) Directors' interest in share option plan

Presently, the Company does not have any share option plan.

32. Segment information

The Group's businesses are organised and managed into three main business segments namely,

– Land and buildings
– Construction
– Professional services

Segment results, assets and liabilities include items directly attributable to a segment. The Group is structured with each business segment operating as profit centres and transacted with one another on terms agreed between the parties.

Unallocated expenses comprise administrative expenses of companies which are not directly related to the operations of the business segments.

Unallocated assets and liabilities comprise assets and liabilities of companies which are not directly related to the operations of the business segments.

32. Segment information (cont'd)

The Group operates solely in Myanmar and hence Myanmar is the only geographical segment.

Segment accounting policies are the same as the policies of the Group as described in Note 3.21.

(a) Financial year ended 31 March 2007:–

	Land and Buildings S$'000	Construction S$'000	Professional Services S$'000	Eliminations S$'000	Group S$'000
Revenue - external parties	1,830	5,993	1,348	–	9,171
Revenue - inter-segment sales		342	–	(342)	–
	1,830	6,335	1,348	(342)	9,171
Segment results	213	803	391	–	1,407
Other income - Miscellaneous					93
Goodwill written off					(13,935)
Unallocated expenses					(1,711)
					(14,146)
Bank charges and interest expenses					(3)
Profit before taxation					(14,149)
Taxation					(280)
Total profit					(14,429)
Segment assets	83,563	3,746	2,291	–	89,600
Unallocated assets					6,955
Consolidated total assets					96,555
Segment liabilities	805	2,061	1,177	–	4,043
Unallocated liabilities					796
Consolidated total liabilities					4,839
Other segment items					
Capital expenditure	–	369	6	–	375
Depreciation	6	254	65	–	325
Amortisation	–	7	–	–	7

32. Segment information (cont'd)

(b) Financial year ended 31 March 2006:–

	Land and Buildings S$'000	Construction S$'000	Professional Services S$'000	Eliminations S$'000	Group S$'000
Revenue - external parties	4,436	6,348	2,341	–	13,125
Revenue - inter-segment sales	–	573	2	(575)	–
	4,436	6,921	2,343	(575)	13,125
Segment results	864	1,024	1,114	–	3,002
Other income - Miscellaneous					37
Other income - Exceptional item					–
Unallocated expenses					(432)
					2,607
Bank charges and interest expenses					(5)
Profit before taxation					2,602
Taxation					(804)
Net profit					1,798
Segment assets	89,109	3,831	2,677	–	95,617
Unallocated assets					2,171
Consolidated total assets					97,788
Segment liabilities	1,500	2,500	1,338	–	5,338
Unallocated liabilities					736
Consolidated total liabilities					6,074
Other segment items					
Capital expenditure	–	1,140	15	–	1,155
Depreciation	10	260	78	–	348
Amortisation	–	20	–	–	20

33. Contingent liability

The Company provided a corporate guarantee jointly and severally with a third party, Neocorp International Ltd ("NCIL") for a trade credit facility of up to S$2.6 million granted by Sumitomo Corporation (Singapore) Pte Ltd to Neocorp Innovations Pte Ltd, a wholly–owned subsidiary of NCIL. The trade credit facility was also secured by separate corporate guarantee given by a related party, Serge Pun & Associates (Myanmar) Limited ("SPA M") and personal guarantee of Serge Pun, a director of the company.

34. Operating lease commitments

At balance sheet date, the commitments in respect of non–cancellable operating leases contract for but not recognised as liabilities are as follows:

	The Goup	
	As at 31.3.2007 S$'000	As at 31.3.2006 S$'000
Payable within one year	123	150
Payable within two to five years	13	25
	136	175

35. Other Matters and Subsequent events

(a) On 26 February 2007, the Group had announced it had entered into a conditional sales and purchase agreement to acquire 52.86% Plantation Resources Pte Ltd ("PRPL"), a company with the exclusive rights to manage, operate and sell the produce from a 100,000–acre plantation in Myanmar for the cultivation of Jatropha Curcas. The proposed acquisition is to be satisfied via the issue of new ordinary shares in the capital of the Group.

(b) On 5th March 2007, the Group had entered into two conditional sales and purchase agreements to acquire 75% of the entire issued and paid up capital of Winner Sight Investments Limited ("WSI") and 100% of issued and paid up capital of Delight Results Limited ("DRL") which owns 25% interest in WSI. WSI owns the Zhong Bei Building located in Dalian, People's Republic of China. To fund this acquisition, the Group is proposing a one–for–one rights issue at S$0.12 per Rights Shares that is expected to raise gross proceeds of up to S$51.1 million (before deducting expenses).

(c) On 16 April 2007, the Group entered into a agreement with the vendors of DRL to cancel the earlier conditional sales and purchase agreement to acquire 100% of the issued and paid up capital of DRL. The WSI acquisition, if completed, will enable the Group to obtain 75% majority control over WSI which indirectly holds 100% interest in Zhong Bei Building, Dalian. This move will also allow the Group to preserve its resources to pursue other business opportunities by not proceeding with the DRL acquisition.

(d) The acquisitions of PRPL and WSI, as well as the proposed one–for–one rights issue are still awaiting the approval of the relevant regulatory authorities and will be subject to further approval by shareholders.

36. Authorisation of financial statements

These financial statements of the Group for the financial year ended 31 March 2007 and the balance sheet of the Company were authorised for issue in accordance with a resolution of the directors dated 29 June 2007.

37. Comparative figures

Under the reverse acquisition accounting, the comparative figures in the consolidated financial statements presented are those of YSIL for the financial year ended 31 March 2006.

The balance sheet as at 30 June 2006 of the Company was audited by another firm of auditors.

statistics of shareholdings

As at 15 June 2007

NO. OF FULLY PAID–UP AND ISSUED SHARES	:	425,816,982
CLASS OF SHARES	:	Ordinary Shares
VOTING RIGHTS	:	1 Vote Per Share

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 999	315	16.05	105,853	0.03
1,000 – 10,000	840	42.79	4,170,071	0.98
10,001 – 1,000,000	784	39.94	60,518,275	14.21
1,000,001 & ABOVE	24	1.22	361,022,783	84.78
TOTAL	1,963	100.00	425,816,982	100.00

TOP TWENTY SHAREHOLDERS AS AT 15 JUNE 2007	NO. OF SHARES	%
SERGE PUN	242,082,215	56.85
LIM KOK GIN & NEPHEWS PTE LTD	17,177,172	4.03
KONG HOA PTE LTD	15,453,876	3.63
CITIBANK NOMINEES S'PORE PTE LTD	14,424,556	3.39
SIT PAN JIT MICHAEL	10,788,753	2.53
SUPERLIGHT INVESTMENT LTD	9,677,012	2.27
DBS VICKERS SECURITIES (S) PTE LTD	7,567,568	1.78
DMG & PARTNERS SECURITIES PTE LTD	6,765,200	1.59
WANG CHIEN SHENG AMBROSE	5,954,256	1.40
UOB KAY HIAN PTE LTD	5,154,220	1.21
PANDAW INVESTMENT HOLDINGS LTD	3,931,770	0.92
TJOA THIAN SONG @ SONDEWALA ISKANDAR	2,822,000	0.66
MARTIN CHI CHEONG PUN	2,536,036	0.60
PHILLIP SECURITIES PTE LTD	2,514,800	0.59
LAU KIM HIOK	2,206,040	0.52
PUN CHI TUNG PUN MELVYN	2,147,578	0.50
OCBC SECURITIES PRIVATE LTD	1,857,000	0.44
CHENG HON WAH	1,453,582	0.34
UNITED OVERSEAS BANK NOMINEES PTE LTD	1,272,400	0.30
RAFFLES NOMINEES PTE LTD	1,270,000	0.30
	357,056,034	83.85

statistics of shareholdings

As at 15 June 2007

SUBSTANTIAL SHAREHOLDER	DIRECT INTEREST NO. OF SHARES	%	DEEMED INTEREST * NO. OF SHARES	%
SERGE PUN	242,082,215	56.85	47,198	0.01

* shares held by spouse and Serge Pun & Associates (Myanmar) Limited

Based on information available to the Company as at 15 June 2007, approximately 39.69% 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 Connection1, Level 3, Amara Hotel, 165 Tanjong Pagar Road, Singapore 088539 on 23rd July 2007 at 11.00 am to transact the following business:–

AS ORDINARY BUSINESS

1. To receive and adopt the audited financial results of the Company for the financial year ended 31 March 2007 and the Directors' Report and the Auditors' Report thereon.

(Resolution 1)

2. To approve the Directors' fees of S$126,563 for the financial year ended 31 March 2007.

(Resolution 2)

3. To re-elect Mr. Adrian Chan Pengee as Director of the Company who is retiring pursuant to Article 104 of the Articles of Association of the Company.

(Resolution 3)

4. To re-appoint Mr. Kyi Aye as 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.

(Resolution 4)

5. To re–appoint Pannell Kerr Forster LLP as auditors of the Company for the financial year ending 31 March 2008 and to authorise the Directors to fix their remuneration.

(Resolution 5)

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolution with or without modifications:–

6. **Authority to allot and issue shares**

"That pursuant to Section 161 of the Companies Act, Cap. 50, and the Listing Rules of the Singapore Exchange Securities Trading Limited, approval be and is hereby given to the Directors of the Company at any time and from time to time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

(a) (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

(ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "Instruments") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

(b) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force.

Provided always that the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the Company's issued share capital, of which the aggregate number of shares (including shares to be issued in pursuance to Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the issued share capital of the Company, and for the purpose of this resolution, the issued share capital shall be the Company's issued share capital at the time this resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of convertible securities;

(b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the Singapore Exchange Securities Trading Limited; and

(c) any subsequent consolidation or subdivision of the Company's shares,

and such authority shall, unless revoked or varied by the Company at a general meeting continue in force until the conclusion of the next Annual General Meeting 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 1)

(Resolution 6)

7. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

LEE KAM SENG
Company Secretary
6 July 2007

Singapore

Explanatory Notes:

1. The ordinary resolution in item 6 above is to authorize the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 50 per cent of the issued share capital of the Company of which the total number of shares and convertible securities issued other than on a pro rata basis to existing shareholders shall not exceed 20 per cent of the issued share capital of the Company at the time the resolution is passed, for such purposes as they consider would be in the best interests of the Company. Rule 806(3) of the Listing Manual of Singapore Exchange Securities Trading Limited currently provides that the issued share capital of the Company for this purpose shall be the issued share capital at the time this resolution is passed (after adjusting for new shares arising from the conversion of convertible securities or share options on issue at the time this resolution is passed and any subsequent consolidation or subdivision of the Company's shares). This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

2. Mr. Wang Chien Sheng, Ambrose, who is retiring as a Director pursuant to Article 104 of the Articles of Association of the Company, is not seeking re–election at the Annual General Meeting. Mr. Adrian Chan Pengee, when re-elected, will remain as a member of the Audit Committee. Mr. Adrian Chan Pengee is an Independent Director.

3. Mr. Kyi Aye, when re–appointed, will remain as a member of the Audit Committee. Mr. Kyi Aye is a Non–Executive Director.

YOMA STRATEGIC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Co. Reg. No: 196200185E)

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT:

i. For Investors who have used their CPF monies to buy Yoma Strategic Holdings Ltd.'s shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.

ii. 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)

of ____ (Address)

being a member/members of YOMA STRATEGIC HOLDINGS LTD. hereby appoint:

NAME	ADDRESS	NRIC/PASSPORT NUMBER	PROPORTION OF SHAREHOLDINGS (%)

and/or (delete as appropriate)

As my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meting of the Company to be held on Monday, 23rd July 2007 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the 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 Meeting.

NO.	RESOLUTION	FOR*	AGAINST*
1	Adoption of Directors' Report and Audited Financial Statements		
2	Approval of Directors' fees		
3	Re-election of Mr. Adrian Chan Pengee as Director		
4	Re-appointment of Mr. Kyi Aye as Director		
5	Re-appointment of Auditors and authorising Directors to fix their remuneration		
6	General authority to issue shares		

*If you wish to exercise all your votes "For" or "Against", please tick (√) within the box provided

Dated this __________ day of ____________________ 2007

Total number of shares held

____
Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. Completion and return of this instrument appointing a proxy 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 the instrument of proxy, 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. The Instrument appointing a proxy or proxies must be deposited at the Company's registered office at 80 Anson Road, Fuji Xerox Towers #25–05, Singapore 079907, not less than 48 hours before the time set for the Annual General Meeting.

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AFFIX
STAMP

The Company Secretary
YOMA STRATEGIC HOLDINGS LTD.
80 Anson Road
Fuji Xerox Towers #25–05
Singapore 079907

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6. The Instrument appointing a proxy or proxies must be under the hand of the appointer 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.
7. Where an Instrument appointing a proxy is signed on behalf of the appointer by an attorney, the letter or power of attorney or a duly certified copy thereof must (falling previous registration with the Company) be lodged with the instrument of proxy, falling which the Instrument may be treated as invalid.
8. The Company shall be entitled to reject the 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 the Instrument. In addition, in the case of shares entered in the Depository Register, the Company may reject the 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 48 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Corporate Information

Board of Directors
Mr Serge Pun (Chairman & CEO)
Mr John E Strickland
(Lead Independent Director)
Mr Kyi Aye
Mr Wang Chien Sheng Ambrose
Mr Ng Fook Leong Philip
Mr Basil Chan
Mr Adrian Chan Pengee
Mr Kyaw Paing
(Alternate director to Mr Kyi Aye)
Mr Soe Win
(Alternate director to
Mr Wang Chien Sheng Ambrose)

Audit Committee
Mr John E Strickland (Chairman)
Mr Kyi Aye
Mr Basil Chan
Mr Adrian Chan Pengee

Nominating Committee
Mr Ng Fook Leong Philip (Chairman)
Mr John E Strickland
Mr Wang Chien Sheng Ambrose

Remuneration Committee
Mr Ng Fook Leong Philip (Chairman)
Mr John E Strickland
Mr Wang Chien Sheng Ambrose

Company Secretary
Mr Lee Kam Seng

Company Registration No.
196200185E

Registered Office
80 Anson Road #25-05
Fuji Xerox Towers
Tel: (65) 62232262
Fax: (65) 62207939

Registrar & Share Transfer Office
B.A.C.S. Pte Ltd
63 Cantonment Road
Singapore 089758
Tel: 63236200

Auditors
Pannell Kerr Forster LLP
Certified Public Accountants
152 Beach Road
#24-03 Gateway East
Singapore 189721
Mr David Tong How Heng
Audit Partner-in-charge
(appointed with effect
from financial year 2007)

Principal Bankers of the Group
DBS Bank Ltd
6 Shenton Way
DBS Building
Singapore 068809

Oversea-Chinese Banking
Corporation Limited
65 Chulia Street
OCBC Centre
Singapore 049513

Yoma Strategic Holdings Ltd.
Fuji Xerox Towers #25-05
80 Anson Road
Singapore 079907

Tel: (65) 6223 2262
Fax: (65) 6220 7939

Website: www.yomastrategic.com

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